

2019 Draft Budget for the Regional Transit Authority

Options for the Board of Commissioners



Revised draft December 17, 2018

1 Summary

The RTA is projected to collect \$104.6 million in operating revenue¹ during 2019, plus \$15.0 million in state and federal government assistance (mostly earmarked for preventative maintenance), for a total of \$119.5 million in revenue. This is an expected revenue increase of:

- 1.7% compared to projected 2018 actuals.
- 3.4% compared to the 2018 approved budget.

This document sets out preliminary options for how that money could be spent to best meet the RTA's goals of serving riders today, while also maintaining the RTA's financial sustainability – an essential part of continuing to serve riders in the future.

In addition, this budget document does not fully consider the Board of Commissioners' October 2018 decision to move the RTA towards a "hybrid" management structure when the current public-private operating partnership (PPOP)² expires at the end of August 2019. The detailed costs of this transition are not yet known. Therefore, this budget extends most of the assumptions from the current public-private operating partnership through the end of 2019.

Baseline Service for Bus, Streetcar, and Paratransit

Baseline service (excluding ferry service) in 2019 is expected to cost \$100.6 million. Baseline service is the same service the RTA provides as of December 2018. It includes service approved as part of the 2018 budget, and service added over the course of 2018, with Board approval. Additional service in 2018 includes: extending the 39-Tulane line to Oschner Hospital, adding 24-hr service on the 16-Claiborne, and adding 24-hr streetcar service between Canal St. and the French Market. The Board of Commissioners would like to maintain at least this level of service in 2019. For this reason, the cost of this service is included as the baseline option.

Additional costs come from TMSEL legacy costs (\$3.5 million), capital expenditures, and debt principal and interest. After taking all costs into account, the RTA projects to run an operating surplus of \$719,877. With this surplus, the RTA Board of Commissioners can plan to do some combination of:

- Save the projected surplus to continue building unrestricted reserves (for example, according to the RTA's draft policy on maintaining unrestricted reserves, from November 2018).
- Spend the projected surplus on some of the 19 options for service improvements, which are described below.

Preliminary Ferry Budget

This document includes the ferry budget. However, it is separated from the baseline budget because not all revenue sources are secured.

For 2019, there is a projected difference of \$6,015,359 between operational costs for ferry services and revenues from ferry passenger fares. Since 2014, the difference between these two figures has been filled with an operating subsidy from the State of Louisiana. \$4 million of this State subsidy is confirmed for 2019. An updated arrangement with the State may be needed to secure an operating subsidy that covers the entire difference between ferry operating costs and ferry passenger fares.

¹ Excluding revenues for ferry operations.

² Also known as a delegated management model.

Options for Service Improvements in 2019

Some or all of the projected 2019 operating surplus could be used to improve services. There are many options to improve services; evaluating them and deciding among them require information on the costs, advantages, and disadvantages of each. The table below gives 19 options.³ These options come from three main places:

1. Instructions received from the Board via Interim Executive Director Jared Munster.⁴ These instructions are consistent with the SMP.
2. The SMP and SMP Advisory Committee.
3. Conversations with our riders – especially through the Riders Advisory Committee.

Another good option for the projected \$719,877 surplus would be to save some or all of it – building up unrestricted reserves. Transdev staff provided the RTA with a recommended policy on building and maintaining unrestricted reserves on November 9, 2018.

No.	Option	Cost	Source
1	Additional frequency on 84-Galvez	\$534,344	Executive Director instructions
2	Extend 84-Galvez	\$228,992	Executive Director instructions
3	Add one bus to 114-DeGaulle-Sullen and 115-DeGaulle-Tullis during peak	\$ 335,938	Executive Director instructions
4	Reduce headways on five routes: 15-Freret, 60-Haynes, 80-Desire-Louisa, 101-Algiers Point, 108-Algiers Local	\$1,406,112	Executive Director instructions
5	Reduce 202 (Airport Express) headways to minimum 60 minutes	\$855,514	Executive Director instructions
6	Increased nighttime service on the 11-Magazine	\$64,820	Staff recommendation based on rider feedback
7	Improved service on the 64-Lake Forest Express and 65-Read-Crowder Express	\$930,599	Staff recommendation based on rider feedback
8	Improved service on the 90-Carrollton	\$97,842	Staff recommendation based on rider feedback
9	Add 20 additional transit shelters	\$300,000	SMP and Riders Advisory Committee
10	Provide regional monthly pass	\$50,000	SMP and SMP Advisory Committee Group A

³ These are slightly different from the 19 options presented in the October 24 draft budget. Option 14 (study on fare payment options) in the October 24 budget has been removed, since grant money has been identified to fund this study in 2019. The new Option 14 is expanded service on the 63-New Orleans East Owl; this new option was requested by riders.

⁴ In an email from Dr. Munster to Justin Augustine, III (copied to Deslie Isidore and members of the Transdev executive team) on August 1, 2018.

No.	Option	Cost	Source
11	Bring start of Canal St.-Algiers ferry to 6am all days of the week (+13 hours/week of ferry service)	\$81,183 (see footnote on page 10)	SMP and SMP Advisory Committee Group A
12	Feasibility study for improved service to the new airport	\$300,000	SMP and SMP Advisory Committee Group A
13	Two phase on-demand pilot: Phase 1: Late-night workers to West Bank and NOE Phase 2: Within West Bank and NOE	Phase 1: \$930,400 Phase 2: \$697,800 Total: \$1,628,200	SMP and SMP Advisory Committee Groups A and B
14	Increased frequency on the 63-New Orleans East Owl	\$122,129	Rider requests
15	Create an Art in Transit program	\$100,000	SMP and SMP Advisory Committee Group B
16	Study top locations for RTA accidents for site-specific improvements	\$50,000	SMP and SMP Advisory Committee Group B
17	High-capacity transit pilot on Canal St.	\$55,000	SMP
18	Pilot transit priority treatments on the 94-Broad bus route	\$55,000	SMP
19	Trapeze Upgrades and Training	\$110,250	Staff recommendation

The rest of this document contains:

- Section 2: Revenue and Baseline Cost Projections for 2019.
- Section 3: Options for 2019.
- Appendix A: 2019 Ridership Projections by Line.
- Appendix B: 2018 Capital Projects that Carry Over to 2019.
- Appendix C: New Capital Projects for 2019.
- Appendix D: FEMA-funded Capital Projects.
- Appendix E: RTA Reserve Funds (Projection for January 1, 2019).

2 Revenue and Baseline Cost Projections for 2019

The table below shows expected revenues and costs under the baseline scenario for 2019, for all modes other than ferry. For the baseline scenario, the RTA projects to run an operating surplus of \$0.7 million in 2019. The baseline scenario assumes the same service levels as the September 2018 pick. That is, it is all service approved in the 2018 budget, plus additional service added during 2018 (such as extending the 39-Tulane line to Oschner Hospital and adding 24-hr service on the 16-Claiborne).

2019 Budget for Bus, Streetcar, and Paratransit (1/2)

	CY2017 Audited Actuals	CY2018 Approved Budget	CY2018 Projected Actuals	CY2019 Proposed Budget	CY18 Proj. Actuals vs CY19 Proposed Budget		CY18 Appvd. Budget vs CY19 Proposed Budget	
					Amount Variance	Percent Variance	Amount Variance	Percent Variance
Operating Revenues								
Passenger Fares	18,070,322	18,496,366	18,428,873	18,672,490	243,617	1.32%	176,124	0.95%
Charter	150,443	155,986	80,000	82,000	2,000	2.50%	(73,986)	(47.43%)
Advertising	1,300,650	1,298,725	1,378,849	1,413,854	35,005	2.54%	115,129	8.86%
General Use Sales Tax	66,369,767	67,700,312	68,780,988	71,567,233	2,786,245	4.05%	3,866,921	5.71%
Hotel/Motel Sales Tax	6,404,726	6,641,642	7,004,441	6,861,369	(143,072)	-2.04%	219,727	3.31%
State Motor Vehicle Sales Tax	5,435,994	5,559,830	5,294,585	5,167,614	(126,971)	-2.40%	(392,216)	(7.05%)
Other Operating Revenue	908,180	930,484	913,081	784,740	(128,341)	-14.06%	(145,744)	(15.66%)
Total Operating Revenues	98,640,081	100,783,345	101,880,817	104,549,300	2,668,483	2.62%	3,765,955	3.74%
Operating Expenses								
Labor and Fringe Benefits	317,819	709,416	406,977	909,165	502,188	123.39%	199,749	28.16%
Service Operations	79,676,005	81,928,847	81,383,943	86,418,391	5,034,448	6.19%	4,489,544	5.48%
Administrative	19,480,725	21,262,565	21,121,758	14,585,662	(6,536,097)	-30.94%	(6,676,903)	(31.40%)
Bus	31,622,139	32,087,380	32,392,264	22,679,230	(9,713,034)	-29.99%	(9,408,150)	(29.32%)
Rail	16,877,883	17,613,734	17,043,377	11,949,248	(5,094,129)	-29.89%	(5,664,486)	(32.16%)
Paratransit	6,896,275	7,350,588	6,969,932	5,089,653	(1,880,279)	-26.98%	(2,260,935)	(30.76%)
Other Transit Operations	0	0	0	27,428,289	27,428,289	0.00%	27,428,289	0.00%
All Other Services	4,798,983	3,614,580	3,856,611	4,686,310	829,699	21.51%	1,071,730	29.65%
Materials and Supplies	3,578,037	4,695,480	4,627,428	5,378,912	751,484	16.24%	683,432	14.56%
Utilities	1,488,552	1,697,142	1,558,909	1,597,911	39,002	2.50%	(99,231)	(5.85%)
Casualty and Liability	12,258,056	6,314,172	5,967,320	5,620,422	(346,898)	-5.81%	(693,750)	(10.99%)
Taxes	433,218	474,771	461,164	464,786	3,622	0.79%	(9,985)	(2.10%)
Miscellaneous	252,737	135,499	156,648	204,338	47,690	30.44%	68,839	50.80%
Total Operating Expenses	98,004,424	95,955,327	94,562,388	100,593,925	6,031,537	6.38%	4,638,598	4.83%
TMSEL Legacy Costs								
Retirement Plan / Pension Costs	(728,603)	0	0	0	0	0.00%	0	0.00%
Health Benefits Costs	2,556,016	2,262,200	1,830,444	2,029,200	198,756	10.86%	(233,000)	(10.30%)
Workers' Compensation Costs	1,250,195	835,714	658,572	700,912	42,340	6.43%	(134,802)	(16.13%)
Other Costs (TPA, legal, C&L, etc.)	469,816	895,000	705,896	725,000	19,104	2.71%	(170,000)	(18.99%)
Total TMSEL Legacy Costs	3,547,423	3,992,914	3,194,912	3,455,112	260,200	8.14%	(537,802)	(13.47%)
Surplus / (Deficit) / (Before Govt. Operating Assistance)	(2,911,767)	835,104	4,123,517	500,263	(3,623,254)	-87.87%	(334,841)	(40.10%)
Government Assistance								
Preventive Maintenance	11,768,804	12,924,389	13,810,153	13,124,389	(685,764)	-4.97%	200,000	1.55%
Other Fed. (JARC/New Freedom)	1,971,481	19,500	5,000	0	(5,000)	-100.00%	(19,500)	(100.00%)
State Parish Transportation Fund	9,640	1,848,619	1,848,619	1,867,065	18,446	1.00%	18,446	1.00%
Other State Funds (medicaid reimb.)	0	0	0	0	0	0.00%	0	0.00%
Total Government Assistance	13,749,926	14,792,508	15,663,772	14,991,454	(672,318)	-4.29%	198,946	1.34%
Net Operating Revenue (Expense)	10,838,159	15,627,612	19,787,289	15,491,717	(4,295,572)	-21.71%	(135,895)	(0.87%)

2019 Budget for Bus, Streetcar, and Paratransit (2/2)

	CY2017 Audited Actuals	CY2018 Approved Budget	CY2018 Projected Actuals	CY2019 Proposed Budget	CY18 Proj. Actuals vs CY19 Proposed Budget		CY18 Appvd. Budget vs CY19 Proposed Budget	
					Amount Variance	Percent Variance	Amount Variance	Percent Variance
Non-Operating Revenue (Expense)								
Total Federal Sources	11,520,846	10,382,279	10,382,279	12,075,239	1,692,960	16.31%	1,692,960	16.31%
Local Bond Sources	0	0	0	0	0	0.00%	0	0.00%
Other Local Sources/Restr. Capital Res.	5,775,174	2,595,570	2,595,570	4,912,172	2,316,602	89.25%	2,316,602	89.25%
Capital Expenditures	(17,296,021)	(12,977,849)	(12,977,849)	(16,987,411)	(4,009,562)	30.90%	(4,009,562)	30.90%
FEMA Funded Project Worksheets	2,234,687	4,993,304	4,993,304	3,694,000	(1,299,304)	-26.02%	(1,299,304)	(26.02%)
FEMA Project Worksheets Expenditures	(1,622,190)	(4,993,304)	(4,993,304)	(3,694,000)	1,299,304	-26.02%	1,299,304	(26.02%)
Interest Income - Capital (bonds)	476,017	0	0	0	0	0.00%	0	0.00%
Total Non-Operating Revenue (Expense)	1,088,514	0	0	0	0	0.00%	0	0.00%
Net Revenue (Expense) After Operating and Capital Expenses before Debt Services	11,926,673	15,627,612	19,787,289	15,491,717	(4,295,572)	-21.71%	(135,895)	(0.87%)
Debt Service								
Bond Interest Expense	(3,499,983)	(4,652,109)	(4,652,109)	(4,274,648)	377,461	-8.11%	377,461	(8.11%)
Bond Principal Debt	(6,586,588)	(6,847,389)	(6,847,389)	(7,125,187)	(277,798)	4.06%	(277,798)	4.06%
Disaster Borrowing Interest	(1,188,133)	(1,130,144)	(1,130,144)	(1,026,122)	104,022	-9.20%	104,022	(9.20%)
Disaster Borrowing Principal	(2,142,451)	(2,241,861)	(2,241,861)	(2,345,883)	(104,022)	4.64%	(104,022)	4.64%
Total Debt Service	(13,417,155)	(14,871,503)	(14,871,503)	(14,771,840)	99,663	-0.67%	99,663	(0.67%)
Net Revenue (Expense) After Operating and Capital Expenses and Debt Service	(1,490,482)	756,109	4,915,786	719,877	(4,195,909)	-85.36%	(36,232)	(4.79%)
Operating Reserve	1,490,482	(756,109)	(4,915,786)	(719,877)	4,195,909	-85.36%	36,232	(4.79%)
Net Revenue (Expense) before Depr.	(1,490,482)	756,109	4,915,786	0	(4,195,909)	-85.36%	(36,232)	(4.79%)
Depreciation	22,196,969	22,513,013	22,513,013	21,360,222	(1,152,791)	-5.12%	(1,152,791)	(5.12%)

The ferry budget is presented separately below. It is presented separately because all ferry funding comes from dedicated sources.

2019 Proposed Ferry Budget

Operating Revenues	CY2017 Audited Actuals	CY2018 Approved Budget	CY2018 Projected Actuals	CY2019 Proposed Budget	CY18 Proj. Actuals vs CY19 Proposed Budget		CY18 Appvd. Budget vs CY19 Proposed Budget	
					Amount Variance	Percent Variance	Amount Variance	Percent Variance
Passenger Fares	1,799,041	1,706,214	1,815,459	1,757,419	(58,040)	-3.20%	51,205	3.00%
State Subsidy	5,745,257	5,565,145	5,083,546	6,015,359	931,813	18.33%	450,214	8.09%
Total Operating Revenues	7,544,298	7,271,359	6,899,005	7,772,778	873,773	12.67%	501,419	6.90%
Operating Expenses								
Service Operations	7,154,765	7,435,790	6,942,652	7,749,187	806,535	11.62%	313,397	4.21%
Management Service Fees	7,098,879	7,435,790	6,942,652	7,749,187	806,535	11.62%	313,397	4.21%
All Other Services	55,886	0	0	0	0	0.00%	0	0.00%
Materials and Supplies	388,550	309,182	491,656	491,656	0	0.00%	182,474	59.02%
Taxes	983	1,299	881	881	0	0.06%	(418)	(32.15%)
Total Operating Expenses	7,544,298	7,746,271	7,435,189	8,241,724	806,536	10.85%	495,453	6.40%
Surplus / (Deficit) / (Before Govt. Operating Assistance)	0	(474,912)	(536,183)	(468,946)	67,237	-12.54%	5,966	(1.26%)
Government Assistance								
Preventive Maintenance	0	474,912	536,183	468,946	(67,237)	-12.54%	(5,966)	(1.26%)
Total Government Assistance	0	474,912	536,183	468,946	(67,237)	-12.54%	(5,966)	(1.26%)
Net Operating Revenue (Exp.)	0	0	(0)	(0)	0	-31.97%	(0)	0.00%
Non-Operating Revenues (Exp.)								
Federal Sources	3,812,756	11,122,372	5,432,835	4,500,000	(932,835)	-17.17%	(6,622,372)	(59.54%)
State Funding	953,189	2,780,593	1,358,209	1,125,000				
Capital Expenditures	(4,765,945)	(13,902,965)	(6,791,044)	(5,625,000)	1,166,044	-17.17%	8,277,965	(59.54%)
Total Non-Oper. Revenues (Exp.)	0	0	0	0	(0)	-100.00%	0	0.00%
Net Revenue (Exp.) After Operating and Capital Expenses	0	0	(0)	(0)	(0)	33.33%	(0)	0.00%

The rest of this section gives more detail on projected revenues (Section 2.1) and costs (Section 2.2) for the proposed 2019 budget.

2.1 Revenue Projections

As for past years, 2019 projections are for 80% of non-ferry operating revenues to come from three sales taxes: the General Use Sales Tax, the Hotel/Motel Sales Tax, and the State Motor Vehicle Sales Tax. Passenger fares, at 18% (the same portion as for 2017 and 2018), will make up nearly all the rest.

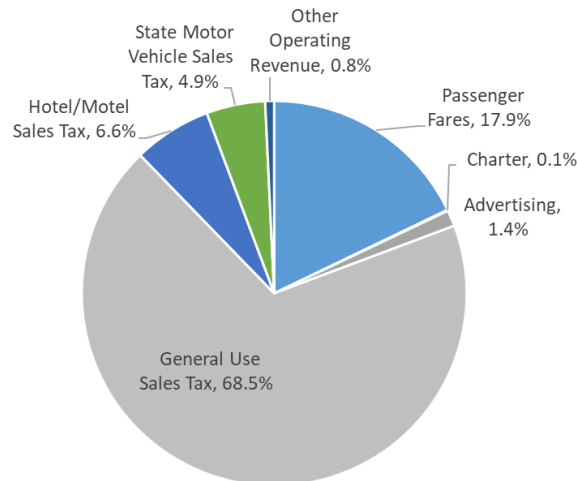


Figure 1: Projected Operating Revenue by Source (2019)

The rest of this section describes sources of operating funds, non-operating funds, and ferry funds in more detail.

2.1.1 Passenger Fares

Projected revenue from passenger fares are a function of three main inputs:

- **Revenue hours and miles.** More service will generally lead to higher ridership and more revenue. Less service will generally reduce ridership and revenue.
- **Ridership by line.** Staff made ridership assumptions for each bus and streetcar line, based on previous trends and service changes made during 2018.
- **Average fares.** The RTA's base fare is \$1.25. However, actual fares collected by mode are less, since many passengers have access to reduced-price fares or purchase passes (ranging from daily to monthly passes).

With these three numbers, staff projected overall ridership and revenue from passenger fares.

Platform Hours and Miles

The 2019 budget proposes 854,450 platform hours. 57% of these hours come from bus service – the highest-ridership mode in the RTA system. The remaining hours come from streetcars (17%), paratransit (17%), and ferry service (1%).

The 2019 baseline budget proposes a 3.4% increase in bus hours, compared to the 2018 budget. This reflects bus service increases made in September 2018, including extending the 39-Tulane line and adding overnight service on the 16-Claiborne line.

The only mode for which service hours would decline in 2019, compared to the 2018 budget, is streetcars. However, actual streetcar service in 2018 will be less than projected, due in large part to construction on the 2-Riverfront line that shut down service. Therefore, the 2019 budget in fact proposes a 2.3% increase on actual 2018 streetcar service.

Ferry service is proposed at the exact same for the 2019 budget as the 2018 budget. This is because ferry funding comes largely from dedicated state sources. This funding is not yet confirmed for 2019; as such, staff assumed it will remain constant at 2018 levels.

	CY2017 Actuals	CY2018 Proj. Actuals	CY2018 Budget	CY2019 Baseline*	CY2019 Baseline Budget			
					vs		vs	
					CY2018 Proj. Hours	Actuals %	CY2018 Budget Hours	Budget %
Platform Hours				0.56998211				
Bus	482,867	480,782	470,973	487,021	6,239	1.30%	16,049	3.41%
Streetcar	206,695	206,885	215,301	211,560	4,675	2.26%	(3,741)	-1.74%
Total Fixed Route	689,562	687,667	686,273	698,581	10,915	1.59%	12,308	1.79%
				0.2475977				
Paratransit (Transdev)	119,899	126,368	125,698	124,488	(1,879)	-1.49%	(1,210)	-0.96%
Paratransit (sub-contractor)	19,387	9,581	17,570	20,266	10,685	111.53%	2,696	15.34%
Total Paratransit	139,286	135,949	143,268	144,754	8,806	6.48%	1,486	1.04%
Total System (Excl. Ferry)	828,848	823,615	829,541	843,335	19,720	2.39%	13,794	1.66%
Ferry	10,500	10,787	11,115	11,115	328	3.04%	-	0.00%
Total System (Incl. Ferry)	839,348	834,402	840,656	854,450	20,048	2.40%	13,794	1.64%

Changes in projected miles by mode typically correspond with projected changes in platform hours. The only exception is streetcar service, which is projected to see a 5.5% increase in platform miles over the 2018 budget, compared to a 1.7% decrease in platform hours. This is due to the temporary construction along the 2-Riverfront line. Since a portion of the line is not in operation for 2019, these hours will be allocated to the Canal St line, which is much longer; it therefore covers more miles per hour of operation.

	CY2017 Actuals	CY2018 Proj. Actuals	CY2018 Budget	CY2019 Baseline*	CY2019 Baseline Budget			
					vs		vs	
					CY2018 Proj. Miles	Actuals %	CY2018 Budget Miles	Budget %
Platform Miles								
Bus	5,961,864	6,105,635	5,930,553	6,184,184	78,549	1.29%	253,631	4.28%
Streetcar	1,261,977	1,269,861	1,323,889	1,396,533	126,671	9.98%	72,643	5.49%
Total Fixed Route	7,223,841	7,375,496	7,254,442	7,580,717	205,220	2.78%	326,274	4.50%
Paratransit (Transdev)	1,382,348	1,484,474	1,358,795	1,345,720	(138,754)	-9.35%	(13,075)	-0.96%
Paratransit (sub-contractor)	218,281	115,464	196,081	226,164	110,700	95.87%	30,082	15.34%
Total Paratransit	1,600,629	1,599,938	1,554,877	1,571,884	(28,054)	-1.75%	17,007	1.09%
Total System (Excl. Ferry)	8,824,470	8,975,434	8,809,319	9,152,600	177,166	1.97%	343,282	3.90%

Ridership by Line

In projecting 2019 ridership, staff first analyzed actual year-to-date 2018 ridership for each bus and streetcar line, compared with earlier projections. Based on trends and seasonal events, 2018 Projected Actuals were calculated. For 2019, staff projected increases or decreases, if any, to each line based on recent trends and service changes. Appendix A shows recent trends and 2019 ridership projections by line – including percentage changes from actual 2018 ridership.

Staff project that service additions in September 2018 will lead to only small increases in ridership. This is because the service additions were largely targeted at improving services for existing riders (extending the 39-Tulane) or expanding ridership during low-ridership periods (adding overnight service on the 16-Claiborne).

In general, the RTA's approach to projecting ridership is conservative. This is to reduce the risk that lower-than-expected ridership constrains the agency's budget during the year.

Average Fares

The table below sets out the average fares for bus, streetcar, and paratransit, including historical data. The average fare by mode was calculated based on ridership and passenger revenue data through August 2018. The modal projected average fare was applied to the applicable projected 2019 ridership.

Bus and streetcar average fares are projected to remain the same in 2019 as the projected 2018 actuals. There is a 0.03% increase in total average fare for fixed-route services due to rounding.

Staff project small increases compared to the 2018 budget in pass sales and paratransit:

- 0.89% in total fares, including projected pass sales, due to recent trends, including the introduction of the regional pass in September 2018.
- 1.12% increase in average paratransit fares, considering a 20-month trend. This longer trend allows for a better sample with sub-contractor usage (which was interrupted for much of 2018).

	2015 Actuals	2016 Actuals	2017 Actuals	2018 Budget	2018 Proj. Actuals	2019 Budget	% Variance Analysis	
							'19 Bgt. to '18 Bgt.	19 Bgt. to '18 Proj. Act.
Streetcar Avg. Fare	\$0.90481	\$0.87097	\$0.82862	\$0.83306	\$0.84626	\$0.84626	1.58%	0.00%
Bus Average Fare	\$0.80049	\$0.76178	\$0.75118	\$0.75784	\$0.76631	\$0.76631	1.12%	0.00%
Total Fixed Rte. Avg. Fare (excluding Pass Sales)	\$0.84172	\$0.80961	\$0.78489	\$0.79158	\$0.80098	\$0.80120	1.22%	0.03%
Total Fixed Rte. Avg. Fare (including Pass Sales)	\$0.95970	\$0.94506	\$0.93931	\$0.95103	\$0.98039	\$0.98911	4.00%	0.89%
Paratransit Avg. Fare	\$1.83232	\$1.84584	\$1.81072	\$1.81164	\$1.82577	\$1.84620	1.91%	1.12%

Note: Pass sales are all passes, from daily to monthly.

Projected Ridership and Fares

The analyses above yield total projected ridership and fares by mode, as broken down in the table below.

	2015 Actuals	2016 Actuals	2017 Actuals	2018 Budget	2018 Proj. Actuals	2019 Budget	% Variance Analysis	
							'19 Bgt. to '18 Bgt.	19 Bgt. to '18 Proj. Act.
Ridership by Mode:								
Streetcar	7,284,860	8,084,359	8,097,699	8,443,134	7,876,628	7,957,428	-5.75%	1.03%
Bus	11,150,026	10,371,236	10,502,170	10,375,707	10,284,612	10,275,527	-0.97%	-0.09%
Total Fixed Route	18,434,886	18,455,595	18,599,869	18,818,841	18,161,240	18,232,955	-3.11%	0.39%
Paratransit	215,088	216,862	217,937	216,862	222,284	225,078	3.79%	1.26%
Total Ridership	18,649,974	18,672,457	18,817,806	19,035,703	18,383,524	18,458,033	-3.03%	0.41%
Prior Year Variance		0.12%	0.78%	1.16%	-3.43%	0.41%		
Passenger Fares:								
Streetcar	\$6,591,402	\$7,041,247	\$6,709,906	\$7,033,598	\$6,665,655	\$6,734,032	-4.26%	1.03%
Bus	\$8,925,535	\$7,900,604	\$7,889,024	\$7,863,087	\$7,881,201	\$7,874,240	0.14%	-0.09%
Farebox Total	\$15,516,937	\$14,941,851	\$14,598,930	\$14,896,685	\$14,546,856	\$14,608,272	-1.94%	0.42%
Pass Sales	\$2,381,380	\$2,704,739	\$3,076,769	\$3,206,806	\$3,476,178	\$3,648,679	13.78%	4.96%
Total Fixed Route	\$17,898,317	\$17,646,590	\$17,675,700	\$18,103,491	\$18,023,033	\$18,256,951	0.85%	1.30%
Paratransit	\$394,110	\$400,292	\$394,622	\$392,875	\$405,840	\$415,539	5.77%	2.39%
Total Passenger Fares	\$18,292,427	\$18,046,882	\$18,070,322	\$18,496,366	\$18,428,873	\$18,672,490	0.95%	1.32%

2.1.2 Sales Taxes

Sales taxes are projected to make up 80% of non-ferry revenue – the same portion as is projected for 2018. Sales taxes come from three main sources:

1. **General Use Sales Tax** is by far the largest single source of RTA revenue, projected at \$71,567,233 for 2019. This is a projected increase of 4.05% compared to projected 2018 actuals. The projection is based on estimates from the City of New Orleans.
2. **Hotel/Motel Sales Tax.** This revenue source is projected to bring in \$6,861,369 in 2019. This projection is 3.3% higher than the 2018 budget (but 2.04% less than projected 2018 actuals). It is based on trends over the past three years.
3. **State Motor Vehicle Sales Tax.** This revenue source is projected to bring in \$5,167,614 in 2019. This is 7.05% less than the 2018 budget. The 2019 projection is based trends over the past three years.

2.1.3 Other Operating Revenue Sources

There are three other main sources of revenue for non-ferry operations:

1. **Streetcar charters.** Staff project 82 streetcar charters at \$1,000 per charter. This yields a total income projection of \$82,000. This is 2.5% higher than projected actual results from 2018, reflecting some growth over time due to increasing economic activity in the New Orleans region.
2. **Advertising.** Staff project \$1,413,854 in advertising revenue. This is an 8.7% increase over the 2018 budget, due to higher-than-expected revenue in 2018 and expected shelter additions in 2019. Projections include advertisements on buses, streetcars, and transit shelters.

3. **Other revenue.** Other revenue is projected at \$784,740. This includes:
 - a. Kenner subsidy of \$380,000. An additional \$160,000 from this source is budgeted in Preventative Maintenance Operating Assistance.
 - b. Transdev contribution of \$375,000. This is an annual contractual contribution.
 - c. Filming: \$7,540.
 - d. Scrap metal: \$6,000.
 - e. IDs: \$1,200.
 - f. Other, such as reimbursements for service disruptions and more: \$15,000.

2.1.4 Non-Operating Revenue

Projected non-operating revenues come from three sources:

- \$13,124,389 in formula funds from the Federal Transit Administration (FTA) for preventative maintenance. This includes funds from the Urbanized Area Formula (Section 5307) and State of Good Repair/Fixed Guideway Funds (Section 5337).
- \$1,867,065 in State Transportation Funds.
- \$12,075,239 in federal funds for capital grants. These are grant funds targeted at specific projects. Projects are described in detail in Section 2.2.6.
- \$4,912,172 in local funds, including the RTA's restricted capital reserve. These are dedicated matching funds for specific capital projects.
- \$3,694,000 in FEMA funds. FEMA funds are dedicated for specific capital projects.

2.1.5 Ferry Revenue

All ferry operational funding comes from two sources: passenger fares and a subsidy from the State of Louisiana that is dedicated specifically to ferry operations.

Passenger Fares

Passenger fares in 2018 have grown 6% compared with 2017 and doubled the projected growth rate of 3% in the 2018 budget. In general, the RTA's approach to projecting passenger fares is conservative. For this reason, staff project 3% growth in 2019 compared to the 2018 budget; this would be a slight decrease in fare collections, compared to projected actuals for 2018. However, the 2019 projections are consistent with the RTA's conservative approach and follow the multi-year trend for ferry fares.

	CY2017 Audited Actuals	CY2018 Approved Budget	CY2018 Projected Actuals	CY2019 Proposed Budget	CY18 Proj. Actuals vs CY19 Proposed Budget		CY18 Appvd. Budget vs CY19 Proposed Budget	
					Amount Variance	Percent Variance	Amount Variance	Percent Variance
Passenger Fares	1,799,041	1,706,214	1,815,459	1,757,419	(58,040)	-3.20%	51,205	3.00%

Operating Subsidy from the State of Louisiana

Since 2014, the State of Louisiana has provided an operating subsidy that covers the difference between revenue from ferry passenger fares and the operational cost for the ferry system. As shown in the table below, staff project this subsidy to rise to \$6.015 million in 2019. This is higher than the projected subsidy in 2018 for two reasons:

- Expected cost increases in operating the ferry system (described in Section 2.2.8 below).

- Projected decrease in fare collections from 2018 to 2019. This projected decrease is based on the medium-term trend in ferry fare revenue, as noted above.

	CY2017 Audited Actuals	CY2018 Approved Budget	CY2018 Projected Actuals	CY2019 Proposed Budget	CY18 Proj. Actuals vs CY19 Proposed Budget		CY18 Appvd. Budget vs CY19 Proposed Budget	
					Amount Variance	Percent Variance	Amount Variance	Percent Variance
State Subsidy	5,745,257	5,565,145	5,083,546	6,015,359	931,813	18.33%	450,214	8.09%

It is important to note that the State of Louisiana subsidy for 2019 is not yet confirmed. Therefore, this proposed budget for operating revenues must be treated as preliminary, pending confirmation from the State.

Non-Operating Revenues

Projected non-operating revenues come from three sources:

- \$468,946 in formula funds from the Federal Transit Administration (FTA) for preventative maintenance.
- \$4.5 million in federal funds for the two new ferry boats. Final acceptance and payment of both ferry boats is expected in 2019 at the latest.
- \$1.125 million in State matching funds for the two new ferry boats.

2.2 Baseline Cost Projections

Costs are expected to rise 4.6% percent in 2019, compared to the 2018 budget. This is due to general cost increases (for example, in personnel and parts) as well as service added over the course of 2018 that was not included in the 2018 budget.

This section contains:

- Description of full-time employees by department. This budget proposes an increase of 19.5 employees in 2019, to a total of 833.9 (including RTA staff and Transdev staff in service to the RTA).
- Direct RTA costs and services, except for Transdev costs. These direct costs and services make up 19% of RTA operational costs for the 2019 budget.
- Costs of Transdev services and other operational costs. Together, these make up 81% percent of operational costs for the 2019 budget. The cost of Transdev services, \$54.3 million, are budgeted for January-August 2019 – the remaining term of the existing public-private operating partnership. The operational budget for September-December 2019, \$27.4 million, is based on costs under the existing public-private operating partnership.
- TMSEL legacy costs.
- Capital project costs.
- Debt service.
- Ferry costs.

2.2.1 Staffing: Full-Time Employees by Department

Total full-time employees (FTEs) are budgeted to rise from:

- **Direct employees:** from 3 (actual in 2018) to 5 employees (proposed 2019 budget). This is due to 2 additional employees to support the RTA management's objectives.

- **Transdev employees:** from 812.4 employees (actual in 2018) to 828.9 (proposed 2019 budget). The proposed increase of 16.5 employees is mostly to hire additional operators, operational supervisors, and maintenance staff.

The table below shows FTEs for the RTA and for each Transdev department. Section 2.2.3 breaks Transdev's proposed 2019 staffing into department: administration, bus services, streetcar services, and paratransit services.

	FY2017 Actuals	FY2018 Budget	FY2018 Staffing Changes	FY2019 Proposed Budget	FY2019 Changes in FTEs	Notes
<u>Direct RTA Staff</u>						
Executive Director	1.0	1.0	0.0	1.0	0.0	
Assistant to the Board	1.0	1.0	0.0	1.0	0.0	
General Counsel	1.0	1.0	0.0	1.0	0.0	
Staff position	0.0	0.0	0.0	2.0	2.0	Additional staffing to support the RTA's management objectives
Direct RTA Totals	3.0	3.0	0.0	5.0	2.0	
<u>TRANSEDEV SERVICES INC.</u>						
<u>Operations</u>						
Fixed Route and Para Drivers	447.7	456.6	0.0	461.1	4.6	Drivers required to staff service changes
Dispatchers	22.0	22.0	1.0	23.0	0.0	Transfer 1 FTE from Planning/Scheduling
Planning/Scheduling	7.6	8.8	-3.0	5.8	0.0	Transferred FTEs to other departments
Customer Services	13.5	13.5	0.0	13.5	0.0	
Safety/Training	12.0	12.0	1.0	13.0	0.0	Transfer 1 FTE from Planning/Scheduling
Road Supervisors	26.0	30.0	-0.5	29.5	0.0	Transferred FTEs to other departments
Money Counting Room	5.0	5.0	0.0	5.0	0.0	
<u>Maintenance</u>						
Supervisor	17.0	19.5	0.5	20.0	0.0	Transferred .5 FTE in 2018; Added 0.5 FTE in 2019
Track Labor	16.0	16.0	0.0	18.0	2.0	Added Switchman and Railway Worker
Mechanics	77.0	77.0	0.0	77.5	0.5	Added .5 FTE Tire Mechanic
Paint & Body	7.0	7.0	0.0	7.0	0.0	
Utility Workers	20.0	21.0	0.0	22.0	1.0	Added to support service levels
Storekeeper	2.0	2.0	0.0	2.0	0.0	
Building & Grounds	8.0	8.0	0.0	11.0	3.0	Added support stop and shelter cleaning
Safety/Training	1.0	1.0	0.0	1.0	0.0	
Maintenance Clerk	6.0	6.0	0.0	6.0	0.0	
<u>Administrative</u>						
Executive Office	2.0	1.0	0.0	2.0	1.0	
Human Resources	7.0	7.0	0.0	7.0	0.0	

	FY2017 Actuals	FY2018 Budget	FY2018 Staffing Changes	FY2019 Proposed Budget	FY2019 Changes in FTEs	Notes
Information Technology	4.0	4.0	0.0	4.0	0.0	
Procurement	2.0	2.0	1.0	3.0	0.0	Transferred FTE from Planning/Scheduling
Finance	11.0	12.0	-1.0	11.0	0.0	Transferred 1 FTE to Grants
Risk Management	2.0	2.0	-1.0	1.0	0.0	Transferred FTEs to other departments
Grants	4.0	3.0	1.0	4.0	0.0	Transferred 1 FTE from Finance
Capital Projects	3.0	3.0	0.0	3.0	0.0	
Marketing & Communications	16.0	17.0	1.0	20.0	2.0	Transferred FTE from Planning; Added 2 Customer Service Reps.
Transdev Services Totals (Non-ferry)	738.8	756.4	0.0	770.4	14.1	
<u>TRANSDEV SERVICES INC. - FERRY</u>						
General Manager		1.0	0.0	1.0	0.0	
Administrative Coordinator		2.0	0.0	2.0	0.0	
Revenue Agent		1.0	0.0	1.0	0.0	
Captains/Directors		10.0	0.0	10.0	0.0	
Attendants		25.0	0.0	25.0	0.0	
Maintenance Supervisor		1.0	0.0	1.0	0.0	
Engineers		13.0	-0.5	12.5	0.0	Reduced FTE by .5 in 2018
Utility/Helpers		3.0	0.5	6.0	2.5	Add 2.5 FTEs in 2019
Transdev Services Totals (Ferry)	0.0	56.0	0.0	58.5	2.5	

2.2.2 Direct RTA Costs and Services (Excluding Transdev)

In the proposed budget, direct RTA costs and services other than those provided by Transdev would make up 46% of operating expenses. The largest portion of this is \$27.4 million for Transit Operations from September-December 2019. The RTA expects to spend these funds to continue transit operations under an adjusted management model for the final four months of 2019, after the existing public-private operating partnership with Transdev lapses. As the RTA finalizes its management structure, the exact structure for using these funds will be determined.

Separate from the cost of transit operations, the RTA's direct costs and non-operating services are projected to rise by 6.9% (\$1.2 million) in 2019 compared to the 2018 budget. The table below describes the components of direct RTA costs (other than the Transit Operations line item) and the main causes for variance, compared to the 2018 budget.

Expense Description	2018 Budget	2019 Budget	Variance	Components	Main Causes of Variance (2018 vs. 2019)
Labor and Fringe Benefits	709,416	909,165	199,749	<ul style="list-style-type: none"> • \$630,311 in salaries for filled RTA positions (Secretary to the Board and Executive Director) and 3 vacant positions effective 07/01/19 • \$278,854 in fringe benefits, including health benefits (\$27,210), state retirement contributions (\$240,593), payroll taxes (\$7,878), and workers' compensation (\$3,173) 	<ul style="list-style-type: none"> • Labor increased \$142,000 for 2 additional full-time positions and contractual wage increases • Fringe Benefits increased \$58,000 corresponding to increases in labor
Services (other than Transdev)	3,614,580	4,686,310	1,071,730	<ul style="list-style-type: none"> • \$38,357 in bond management fees • \$1,680,000 in legal fees and expenses for outside firms. • \$204,000 for auditing and accounting, including the RTA annual audit (\$150,000), the AUP audit (\$18,000), and the Statewide audit (\$36,000). • \$1,122,750 for consultants, including \$275,000 for on-call engineering; \$100,000 for ADA accessibility engineering on the St. Charles streetcar; \$75,000 for scheduling consultants; \$51,000 for overseeing the electronic collection of fares; \$225,000 for the third party administrator handling claims and litigation activities; \$100,000 for employee development; \$125,000 for insurance broker to assist with insurance coverages; \$48,000 for the Board's financial consultants; \$48,000 for federal representation; \$750 for the annual bond report; and \$75,000 for any additional consultant services deemed necessary by the Board. • \$5,000 for other outside services. These are shredding services for the entire agency. • \$221,600 for contract maintenance services. This includes \$600 for the cost of the repair and maintenance of all Board equipment; \$112,000 for the Motorola radio maintenance contract; \$32,000 for A/C repairs and \$24,000 for miscellaneous repairs at ENO; \$31,000 for A/C repairs at the SIS Facility; \$22,000 for repairs to the catenary system along the streetcar lines. (All repairs are 80% funded with federal preventive maintenance dollars) 	<ul style="list-style-type: none"> • Legal Fees increased \$416,000. \$70,000 of this is for legal fees associated with the proposed move to a hybrid management structure. The remaining balance is due to recent actual trends for outside firms • Consultant Services increased \$540,000. This includes \$75,000 for scheduling, \$275,000 for on-call engineering, \$100,000 for paratransit, and \$61,000 for the leadership development project • Contract Maintenance Services increased \$118,000. This includes catenary, facility, and A/C system repairs (funded with federal preventative maintenance money), based on actual expense trends and planned maintenance • Auditing and accounting costs increased \$54,000 for AUP and statewide audits • Bond Management Service Fees decreased \$48,000.

Expense Description	2018 Budget	2019 Budget	Variance	Components	Main Causes of Variance (2018 vs. 2019)
				<ul style="list-style-type: none"> • \$1,254,083 for security services, including \$1,200,000 for the Interagency Agreement with the City of NO; \$54,083 for the Transit Police Unit (1 unit commander and 3 patrol officers) • \$600 for express mail services • \$154,920 for other services, including \$120,000 for bank charges; \$30,520 for public ads and notices; \$3,000 for services for the Mobile Command Center; \$900 for the printing of RTA stationery, envelopes, and business cards; and \$500 for court reporter and deaf interpreter for the CY2019 Budget public hearing • \$5,000 for vendor commissions for the Pass Sales Program 	
Materials and Supplies	4,695,480	5,378,912	683,432	<ul style="list-style-type: none"> • \$5,322,962 for fuel and lubricants. Bio-diesel fuel: Bus – \$4,638,138 (\$2.50/gal., 3.4 mpg and 1.9 million gallons); Paratransit – \$10,295 (\$2.50/gal., 11.0 mpg and 4,100 gallons). Gasoline: Paratransit - \$553,057 (\$2.50/gal., 6.0 mpg and 221,200 gallons); Service vehicles - \$121,472 (\$2.50/gal., 8.5 mpg and 49,000 gallons). • \$55,950 for other materials and supplies. This includes \$19,250 for equipment and supplies for the Board and the Board office; \$6,000 for software for the Board; \$10,000 for Infrastructure Project software; \$1,500 for supplies needed in the preparation and presentation of the annual budget; \$4,000 for training materials and supplies; \$1,000 for equipment and supplies for Transit Security; \$7,200 for fuel for generators at RTA facilities; \$4,000 for office postage; \$3,000 for supplies needed for the Mobile Command Center 	<ul style="list-style-type: none"> • Fuel increased \$647,000. There is a projected \$0.25/gallon increase in fuel costs and 241,000-mile increase in distance driven • Other materials and supplies increased \$36,000. This includes \$18,000 for the Board and RTA employees and \$10,000 for an infrastructure project-based computer application
Utilities	1,697,142	1,597,911	(99,231)	<ul style="list-style-type: none"> • \$578,710 for propulsion power: St. Charles (\$247,883/\$0.33/mi.), UPT/Rampart (\$115,856/\$0.90/mi.), and Canal (\$214,971/\$0.42/mi.) • \$1,019,201 for other than propulsion power: electricity (\$803,831), gas (\$83,524), and water & sewer (\$117,607) for all facilities; cell phones for RTA employees and RTA 	<ul style="list-style-type: none"> • Propulsion power decreased \$62,000, based on rates adjusted to be in line with actual charges in 2018 • Utilities other than propulsion power decreased \$38,000 due to recent actual trends

Expense Description	2018 Budget	2019 Budget	Variance	Components	Main Causes of Variance (2018 vs. 2019)
				Board members (\$4,239); and communication systems for the Mobile Command Center (\$10,000)	
Casualty and Liability	6,314,172	5,620,422	(693,750)	<ul style="list-style-type: none"> • \$3,120,422 for premiums, based on the most recent renewal rates: Excess Liability (\$1,050,000); Excess Physical Damage (\$1,000,000); Directors/Officers Liability (\$110,000); Flood Insurance (\$33,000); Property Damage (\$905,000); 3-D Crime (\$7,500); Annual LWCC premiums for RTA employees (\$750); and Bond Insurance (\$14,172) • \$2,500,000 for legal reserves 	Insurance reserves decreased by nearly \$700,000
Taxes	474,771	464,786	(9,985)	<ul style="list-style-type: none"> • \$12,760 for vehicle licensing and registration fees, including the cost of vehicle licenses and registration fees for buses (\$6,080), paratransit vehicles (\$4,160) and service vehicles (\$2,520) • \$452,026 for fuel and lubricant taxes – Bio-diesel fuel and gasoline taxes at \$0.22/gallon. 	
Miscellaneous	135,499	204,338	68,839	<ul style="list-style-type: none"> • \$65,700 in dues and subscriptions, including APTA (\$50,000), SWTA (\$8,500), and LPTA (\$1,500) dues; Community Streetcar Coalition (\$4,200) dues; and the OPIS subscription (\$1,500) • \$100,938 for travel and meetings, including auto reimbursement, local and out-of-town travel for the Board and RTA employees (\$63,180); per diems for the Board (\$18,900); refreshments and other amenities for Board meetings (\$12,000); local and out-of-town travel for training program participants (\$6,858) • \$29,000 for advertising, promotion and media: \$9,000 for distribution material at ADA events and \$20,000 for RTA and the Board • \$8,700 for other miscellaneous: appreciation, training and incentive programs and events and other like functions 	<ul style="list-style-type: none"> • Travel increased \$56,000 • Advertising, promotion, and media increased \$13,000
Total	17,641,060	18,861,844	1,220,784		

2.2.3 Cost of Transdev Services

Transdev costs make up 54% of projected non-ferry operating expenses. These costs are payment to Transdev Services, Inc. from January-August for carrying out most administrative, operational, and maintenance tasks on behalf of the RTA, under the existing public-private operating partnership.

Transdev costs are projected at \$54.3 from January to August 2019. On a monthly basis, this is about a 4% cost increase compared to 2018 Transdev costs. There are two main drivers of these costs increases:

- **Budgeted increases in bus service hours in 2019.** This is because the baseline 2019 service includes the bus service additions implemented in September 2018. These services were not included in the 2018 budget.
- **Annual increases in salaries and other inputs.** The main cost drivers are:
 - *Administrative costs:* contractually agreed salary increases with employees and unions, as well as expected increases in healthcare premiums. There were also 5.5 administrative positions added for the 2019 budget: 0.5 maintenance supervisors, 3 buildings and grounds staff, and 2 customer service staff.
 - *Bus services:* contractually agreed salary increases with employees and unions, as well as expected increases in healthcare premiums. There are also 7.1 additional budgeted staff: 4.6 operators, 0.5 tire mechanics, and 1 utility worker. Parts and supplies costs are also projected to increase due to annual increases in costs from suppliers and additional bus operating hours.
 - *Streetcar services:* contractually agreed salary increases with employees and unions, as well as expected increases in healthcare premiums. There are also 2 additional budgeted staff: 1 switchman and 1 railway worker. Parts and supplies costs are also projected to increase due to annual increases in costs from suppliers.
 - *Paratransit services:* contractually agreed salary increases with employees and unions, as well as expected increases in healthcare premiums. Parts and supplies costs are also projected to increase due to annual increases in costs from suppliers.

Transdev costs can be broken down into administrative costs, costs for bus operations, costs for streetcar operations, and costs for paratransit operations. The 2019 budget projects large decreases in Transdev costs across all four categories. This is because the existing public-private operating partnership with Transdev is set to expire at the end of August 2019.

	CY2017 Audited Actuals	CY2018 Approved Budget	CY2018 Projected Actuals	CY2019 Proposed Budget	CY18 Proj. Actuals vs CY19 Proposed Budget		CY18 Appvd. Budget vs CY19 Proposed Budget	
					Amount Variance	Percent Variance	Amount Variance	Percent Variance
Transdev costs								
Administrative	19,480,725	21,262,565	21,121,758	14,585,662	(6,536,097)	-30.94%	(6,676,903)	(31.40%)
Bus	31,622,139	32,087,380	32,392,264	22,679,230	(9,713,034)	-29.99%	(9,408,150)	(29.32%)
Rail	16,877,883	17,613,734	17,043,377	11,949,248	(5,094,129)	-29.89%	(5,664,486)	(32.16%)
Paratransit	6,896,275	7,350,588	6,969,932	5,089,653	(1,880,279)	-26.98%	(2,260,935)	(30.76%)
Total	74,877,022	78,314,267	77,527,331	54,303,792	(23,223,539)	-29.96%	(24,010,475)	(30.66%)

For each mode, some of the total costs are fixed costs – these are covered in the monthly Transdev fixed fee. Others are variable costs – these are covered in the variable rates for each mode, which are applied to actual platform hours the RTA runs throughout the year. As shown in the table below, total proposed fixed costs for 2019 are \$14.6 million.

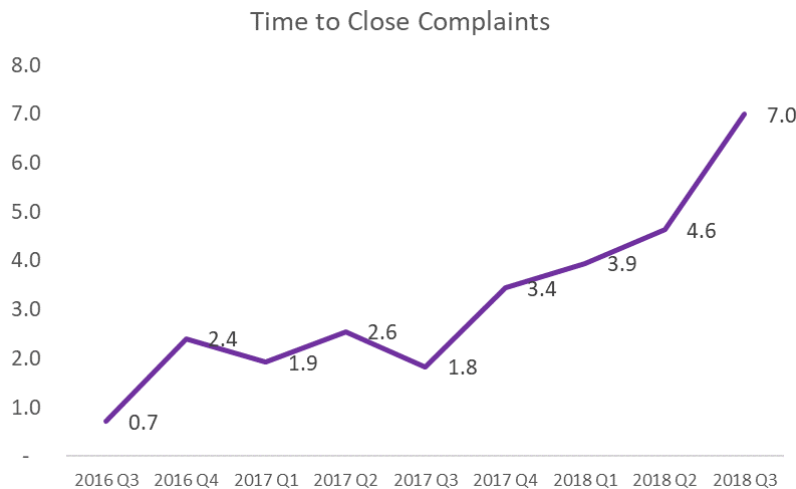
	Admin	Bus	Streetcar	Paratransit (Direct)	Paratransit (Contracted)	Total
Budgeted Platform Hours		325,618	140,935	83,279	13,557	563,389
Variable Costs for Hours	-	22,679,230	11,949,248	4,156,458	933,195	39,718,131
Proposed 2019 Billing Rate	-	69.65	84.79	49.91	-	
Fixed Costs	11,909,230	696,242	879,242	1,100,947	-	14,585,662
Total Costs	11,909,230	23,375,472	12,828,490	5,257,406	933,195	54,303,792

The rest of this section describes Transdev costs for administration and each mode in more detail. Each section includes recent departmental key performance indicators (KPIs), as defined in the RTA contract with Transdev. Transdev costs for ferry operations are described in Section 2.2.7.

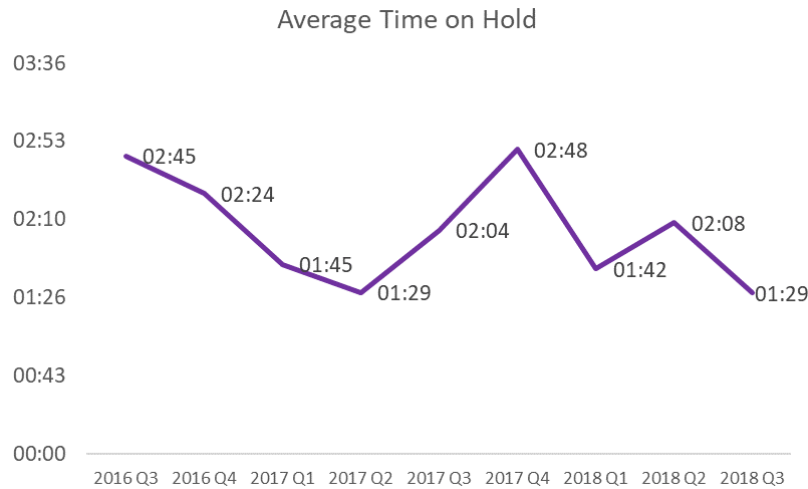
Administration

Proposed Transdev administrative costs for 2019 are \$11.9 million. All these costs would be covered under Transdev's fixed monthly fee to the RTA.

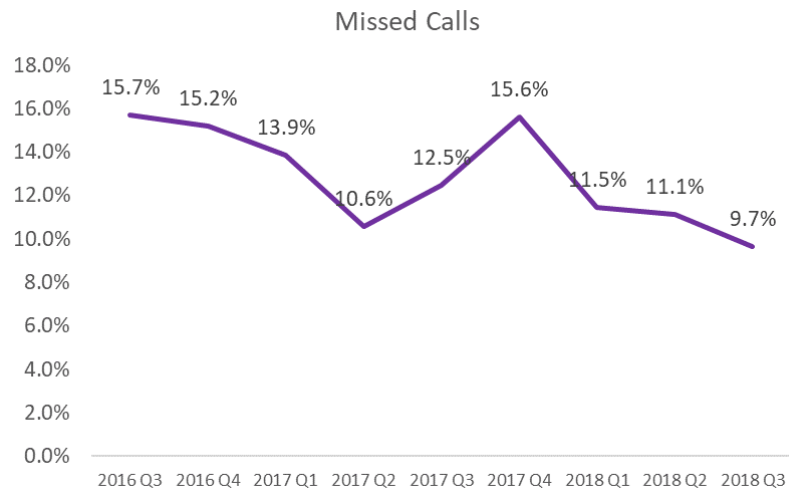
There are three contractual customer service KPIs for which the Transdev administrative team has responsibility. Time to close complaints has risen steadily over the past two years, as shown in the figure below. However, this is largely the result of a policy decision to spend more time investigating complaints. The Q3 2018 result is still well within the acceptable time range for other well-performing transit agencies. For example, the transit agency in Denver sets a target of 10 business days to close complaints.



Average time on hold (including for both paratransit and Ride Line callers) has decreased over the past two years, as shown in the figure below. This is the result of improved management processes, increase emphasis on customer service, and (as of Q3 2018) a new telephone answering system at the RTA.



The percentage of missed calls has also fallen in the past two years. As for average time on hold, this metric aggregates calls to paratransit and to the Ride Line. Improvements in the missed call rate are for many of the same reasons as for improvements in the average time on hold – improved management processes and a new phone system.

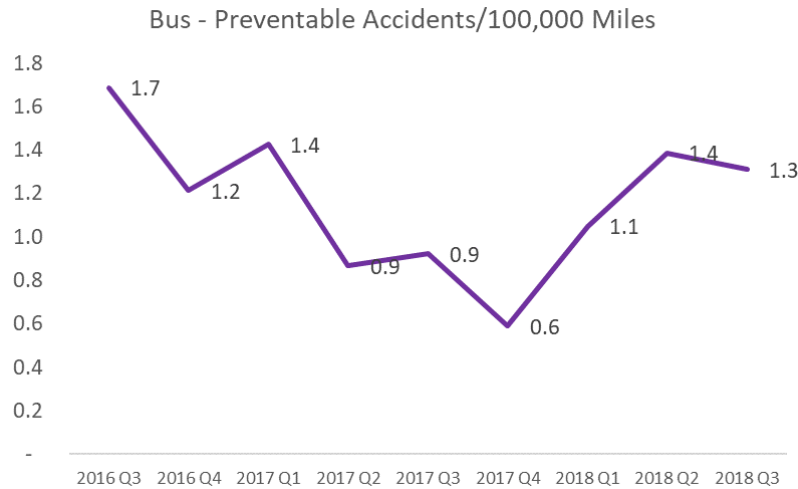


Bus Services

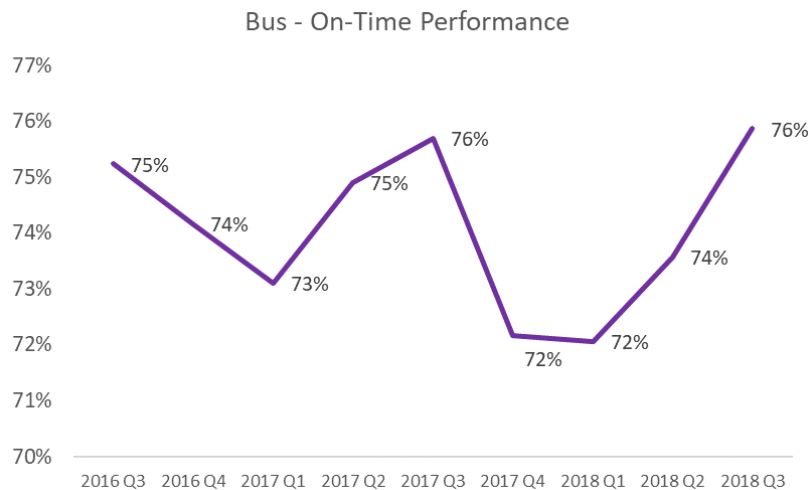
Proposed Transdev costs for bus services for 2019 are \$23.4 million. Bus costs include:

- \$22.7 million in variable costs. Transdev will bill the RTA for these costs according to actual hours of bus operations. The proposed 2019 billing rate is \$69.65 per platform hour. This is a 2.2% increase over the 2018 budgeted rate of \$68.13.
- \$0.7 million in fixed costs. These costs are covered under Transdev's fixed monthly fee to the RTA.

There are four contractual bus service KPIs. The first is preventable accidents per 100,000 miles. Performance on this metric has remained fairly steady of the past two years (see figure).

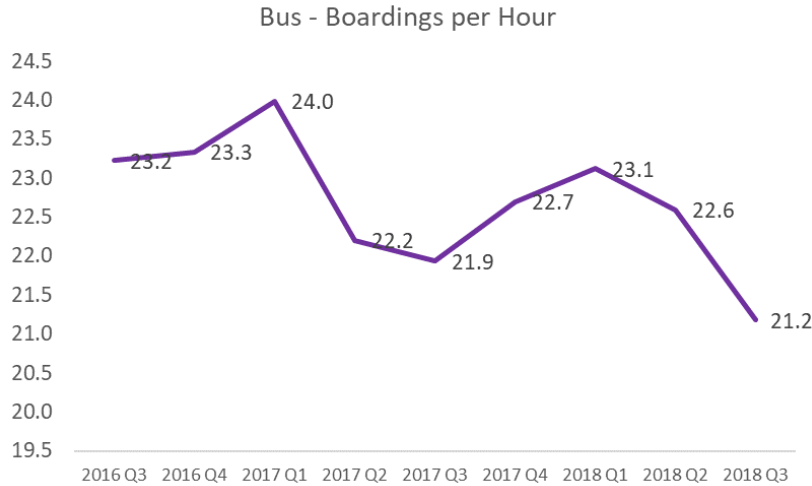


Bus on-time performance has fluctuated seasonally in recent years. On-time performance tends to peak in Q3, with dips in Q4 and Q1 each year. Transdev staff expect that the recent addition of the CleverDevices computer-aided dispatch/automated vehicle location (CAD/AVL) system will allow for operational improvements that will improve on-time performance and better results data.

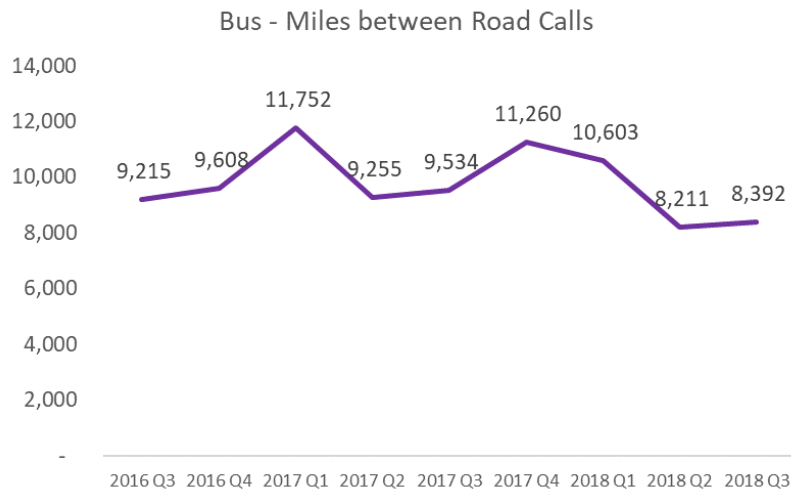


Bus boardings per hour show seasonal fluctuations, though overall boardings have decreased slightly in recent years (see figure below). This is likely due to a combination of two factors:

- Service expansions, starting in 2016, that have focused on increasing coverage (at night and for areas with less access) rather than maximizing ridership.
- Nationwide trends towards decreasing bus and transit ridership. Despite these trends, New Orleans was one of very few major US cities to increase bus ridership in 2017.



Mean miles between road calls (service disruptions caused by mechanical failures) have remained generally steady in recent years, with a slight decrease over time. This gradual decrease is to be expected as the bus fleet ages. Nonetheless, RTA performance remains above-average and within management's target range of 6,000 to 10,000 miles between road calls. Performance is also above the average for peer agencies in 2017: 5,913.⁵



Streetcar Services

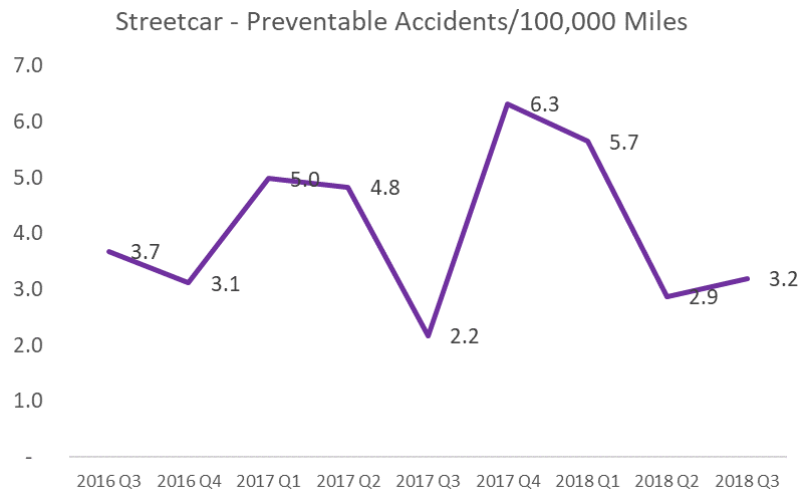
Proposed Transdev costs for streetcar services for 2019 are \$12.8 million.

Streetcar costs include:

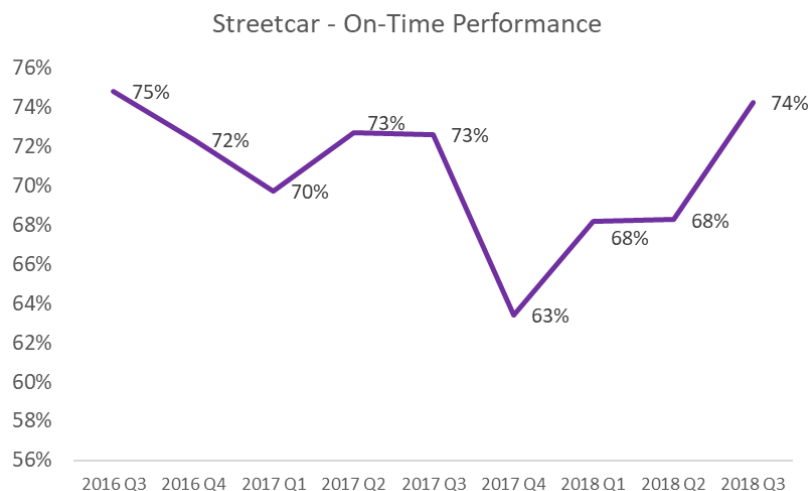
- \$11.9 million in variable costs. Transdev will bill the RTA for these costs according to actual hours of streetcar operations. The proposed 2019 billing rate is \$84.79 per platform hour. This is a 3.6% increase over the 2018 budgeted rate of \$81.81.
- \$0.9 million in fixed costs. These costs are covered by Transdev's fixed monthly fee to the RTA.

⁵ Bus peer agencies identified by Nelson/Nygaard as part of the development of the Strategic Mobility Plan. Peer status was based on size, incomes, and density: Sacramento, Buffalo, Charlotte, Charleston, Memphis, Virginia Beach/Norfolk, Baton Rouge.

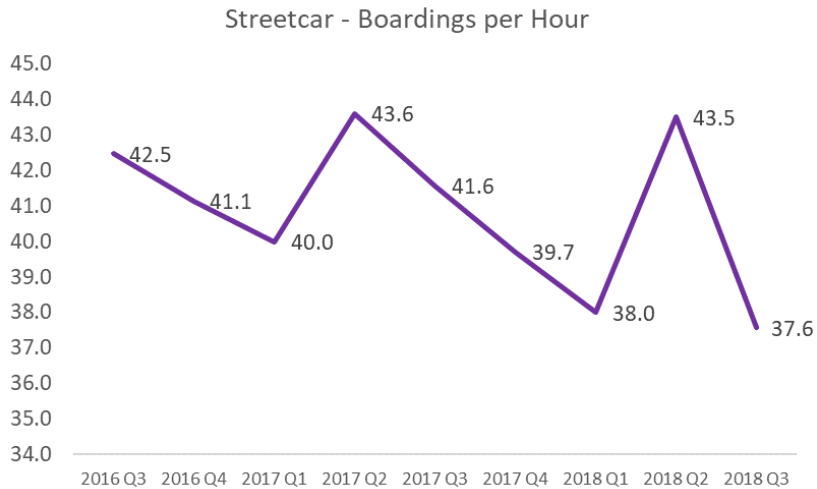
There are four contractual streetcar service KPIs (these are the same as the bus KPIs). The first, preventable accidents per 100,000 miles, has remained steady over the past two years. There is important seasonal fluctuation, with spikes in Q4 and Q1, as shown in the figure below.



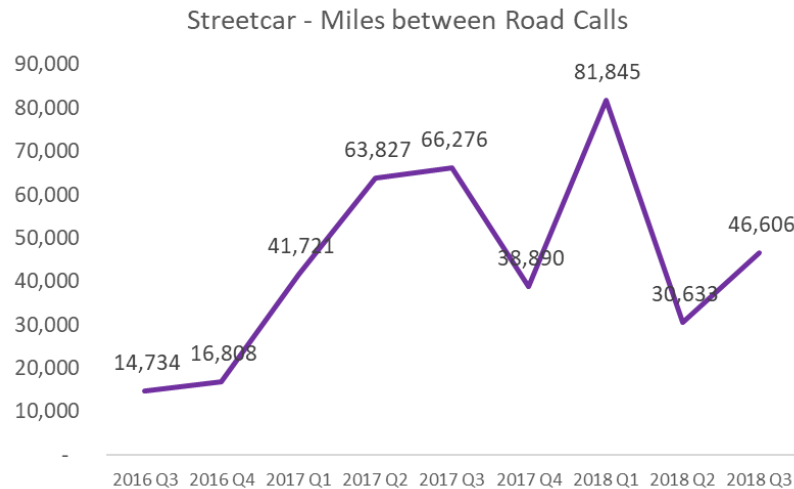
On-time performance for streetcars dipped starting in Q4 2017. However, it has recovered to previous levels over the past two quarters. As for buses, Transdev staff expect that the recent addition of the CleverDevices CAD/AVL system will allow for operational improvements and better results data.



As for bus services, streetcar boardings per hour show strong seasonality, and have decreased slightly in recent years (see figure below).



Miles between road calls for streetcars have generally increased over the past two years, as shown in the figure below.



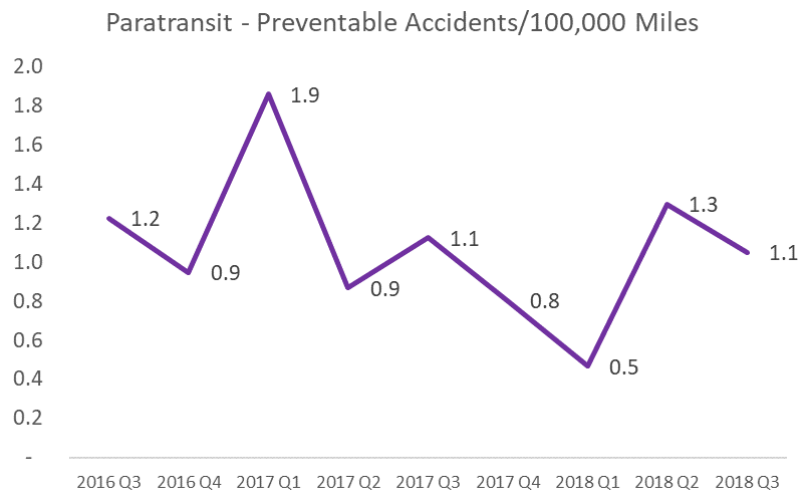
Paratransit Services

Paratransit services include Transdev in-house services and contracted paratransit services. The in-house hourly rate is projected to decrease slightly in 2019 due to efficiencies from contracting out more services than was budgeted in 2018.

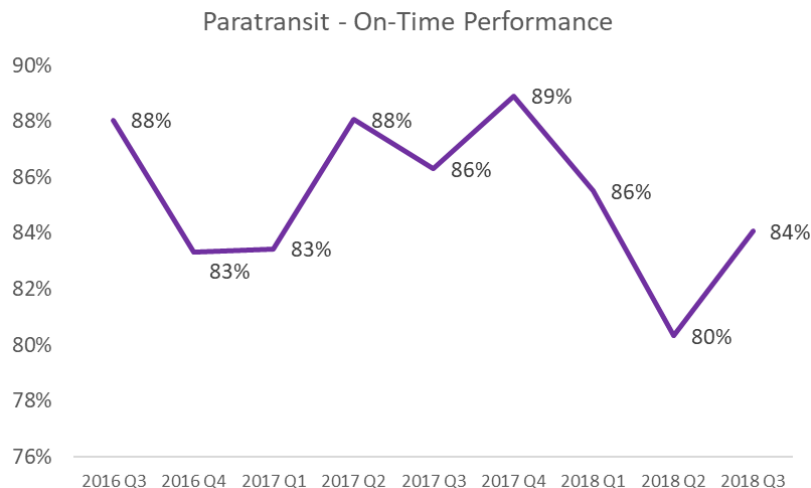
Paratransit costs include:

- \$5.3 million in in-house variable costs and \$0.9 million in contracted variable costs. Transdev will bill the RTA for these costs according to actual hours of paratransit operations. The proposed in-house 2019 billing rate is \$49.91 per platform hour. This is a 1.5% decrease compared to the 2018 budgeted rate of \$50.69. The decrease comes from shifting more hours to contractors in 2019 to maximize overall efficiency.
- \$1.1 million in fixed costs. These are all Transdev in-house costs and are covered under Transdev's fixed monthly fee to the RTA.

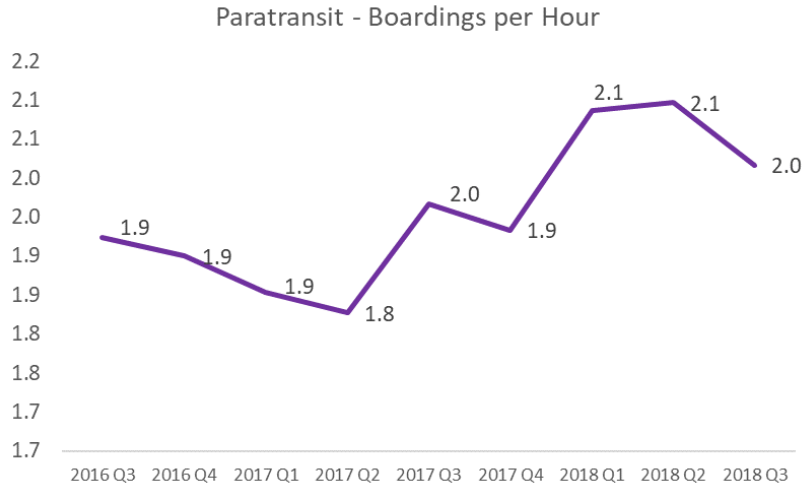
There are four contractual paratransit KPIs (these are the same as the bus and streetcar KPIs). Preventable accidents per 100,000 miles have shown a decreasing trend over the past 2 years (see figure below).



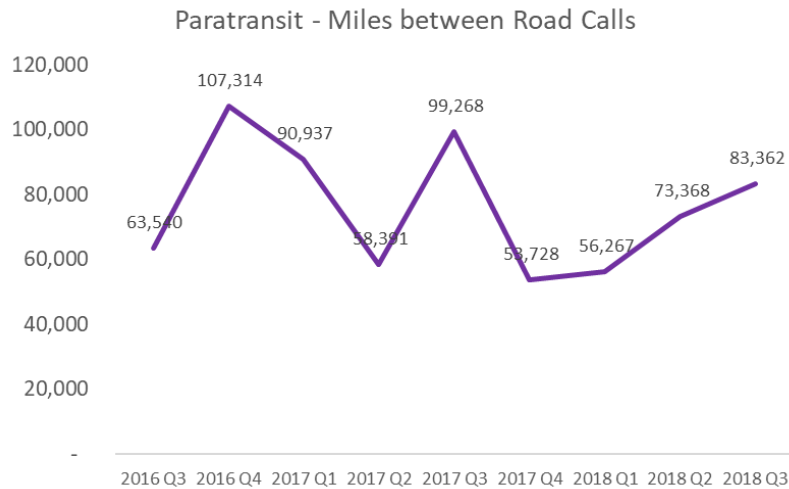
On-time performance for paratransit has declined slightly over the past 2 years. This is largely due to lack of availability from Transdev's contractor to take on paratransit trips. In 2018, Transdev was forced to take on additional paratransit trips with RTA vehicles and Transdev employees, squeezing resources. Paratransit contracting issues appear to be largely resolved; this should allow on-time performance to rise again in Q4 2018 and beyond.



Paratransit boardings per hour have risen in the past two years. This is largely due to lack of contractor availability, which has forced Transdev staff (and RTA vehicles) to pick up extra trips. While this improves vehicle usage rates, there is a tradeoff with on-time performance. Staff expect boarding rates to decline slightly in Q4 2018 and later as more paratransit trips are contracted out.



Miles between road calls for paratransit remain high. Service disruptions due to mechanical failures remain rare for RTA paratransit riders.



2.2.4 TMSEL Legacy Costs

Legacy costs are those incurred by the RTA for obligations previously made to staff employed by Transit Management of Southeastern Louisiana (TMSEL). TMSEL had responsibility nearly all operational and administrative functions prior to the existing contract with Transdev.

There are three main portions of TMSEL legacy costs:

- \$2,029,200 for Health Costs. These are payments to former TMSEL employees under prior obligations the RTA made to cover health costs. They consist of:
 - Long-term disability payments for inactive disabled employees: \$36,000.
 - Hospital/Medical costs for inactive TMSEL employees: \$984,000.
 - Prescription benefits: \$295,200.
 - Administrative fees: \$78,000.
 - Dental plan: \$36,000.

- Life insurance: \$600,000.
- \$700,912 for workers' compensation to inactive TMSEL employees.
- \$725,000 in other costs, made up of:
 - Outside legal fees: \$160,000.
 - TMSEL program administrator \$480,000.
 - Workers' Compensation Second Injury Fund \$75,000.
 - \$10,000 for the State's yearly workers' compensation assessment.

2.2.5 Capital Project Costs

Total proposed capital funding for 2019 is \$20.7 million. As shown in the table below, this would come from a combination of:

- 2018 projects for which funding has already been allocated, and which would roll over to 2019. Funding for these projects comes from mix of federal and local sources.
- New projects proposed for 2019. Funding for these projects comes from mix of federal and local sources.
- FEMA projects, for which funding is designated for specific projects, and for which no local match is required.

Grant Description	CY2019 Submitted Expenditures	Federal Funding	Local Funding Needed
2018 Approved Projects	11,933,228	8,897,422	3,035,806
Proposed 2019 Project Funding	5,054,183	3,177,817	1,876,366
Total FEMA Funded Project Worksheets	3,694,000	3,694,000	-
Total Capital Expenditures and Funding (excluding FEMA)	16,987,411	12,075,239	4,912,172
Total Capital Expenditures and Funding (Including FEMA)	20,681,411	15,769,239	4,912,172

Appendix B, Appendix C, and Appendix D describe the proposed capital projects.

2.2.6 Debt Service

Debt service in the proposed 2019 budget all comes from existing debt sources. Principal and interest for existing debts is expected to decrease from \$17.8 million in 2019 to \$13.5 million in 2022, as shown in the table below.

Year	Bond Issues		Debt Service Assistance Fund		Totals		
	Principal	Interest	Principal	Interest	Principal	Interest	Totals
2019	\$ 7,125,187	\$ 7,350,391	\$ 2,345,883	\$ 1,026,122	\$ 9,471,070	\$ 8,376,513	\$ 17,847,583
2020	\$ 7,424,883	\$ 7,151,758	\$ 2,454,732	\$ 917,273	\$ 9,879,615	\$ 8,069,031	\$ 17,948,646
2021	\$ 7,748,177	\$ 6,938,100	\$ 2,568,632	\$ 803,378	\$ 10,316,809	\$ 7,741,478	\$ 18,058,287
2022	\$ 7,553,600	\$ 2,608,940	\$ 2,687,816	\$ 684,189	\$ 10,241,416	\$ 3,293,129	\$ 13,534,545
2023 - 2027	\$ 36,535,512	\$ 8,707,822	\$ 12,057,633	\$ 1,430,390	\$ 48,593,145	\$ 10,138,212	\$ 58,731,357
Totals	\$ 66,387,359	\$ 32,757,011	\$ 22,114,696	\$ 4,861,352	\$ 88,502,055	\$ 37,618,363	\$ 126,120,418

This debt comes from four bonds and one loan (see table below). The existing source of debt with the latest maturity is the 2010 Bond Series, which expires in 2030.

Description	Maturity
1991 Series - Sales Tax Revenue Bonds	Dec 2021
2000 Series - LCDA Revenue Bonds	Feb 2025
2000A Series - LCDA Revenue Bonds	Nov 2029
2010 Series - Sales Tax Revenue Bonds	Dec 2030
Debt Service Assistance Fund Loan	Jul 2026

2.2.7 Ferry Costs

Operating costs for the ferry system are expected to rise by 6.4% in 2019, largely due to expected increases in the costs for personnel, insurance, and boat repairs.

Operating Expenses	CY2017 Audited Actuals	CY2018 Approved Budget	CY2018 Projected Actuals	CY2019 Proposed Budget	CY18 Proj. Actuals vs CY19 Proposed Budget		CY18 Appvd. Budget vs CY19 Proposed Budget	
					Amount Variance	Percent Variance	Amount Variance	Percent Variance
Service Operations	7,154,765	7,435,790	6,942,652	7,749,187	806,535	11.62%	313,397	4.21%
Management Service Fees	7,098,879	7,435,790	6,942,652	7,749,187	806,535	11.62%	313,397	4.21%
All Other Services	55,886	0	0	0	0	0.00%	0	0.00%
Materials and Supplies	388,550	309,182	491,656	491,656	0	0.00%	182,474	59.02%
Taxes	983	1,299	881	881	0	0.06%	(418)	(32.15%)
Total Operating Expenses	7,544,298	7,746,271	7,435,189	8,241,724	806,536	10.85%	495,453	6.40%

3 Options for 2019

This section describes each of the 19 budget options in more detail. For each option, it gives a description of the option, the annualized cost of the option, and expected benefits. Costs for additional bus service are based on the preliminary RTA hourly platform rate of \$83.65.⁶

For increases in bus service (Options 1 through 8 and Option 14), there are estimated increases in ridership. Importantly, these estimates, like all ridership projections, can only be high-level estimates. Many factors determine how many passengers take which bus routes, ranging from economic growth to weather. It is impossible to capture all these factors when modelling the effects of service changes on ridership levels.

Because of the difficulty in projecting ridership changes, the costs for options to increase bus service do not include any expected revenue increases from the service change. In practice, any of these changes would bring in some additional revenue. However, that additional revenue was not projected. *As such, projected ridership increases are only for the purpose of informing the Board's decision among the options. Ridership projections for these options do not indicate revenue projections.*

Option 1: Increased frequency on the 84-Galvez

Description: Additional bus service to reduce headways on the 84-Galvez from 45 minutes to 30 minutes during most periods, and from 60 minutes to 45 minutes from 1am to 5am.

Cost: \$534,344

Benefits: This would fund 22.75 hours of additional platform hours on weekdays, in addition to 5.6 more hours on Saturdays and 6.3 more hours on Sundays. The Interim Executive Director requested that staff estimate the cost of this change.

These changes would increase total annual platform hours by 36%. Preliminary estimates suggest that these improvements would increase ridership by about 23%.

84-Galvez (frequency)			
	Current	With Improvement	Change
Passengers (Annual)	304,304	374,062	69,758
Platform Hours (Annual)	17,599	23,987	6,388
Passengers/Hour	17.29	15.59	(1.70)

Option 2: Extending the 84-Galvez

Description: Extension of the 84-Galvez from the current terminus at Tupelo/St. Claude to continue down Tupelo to Royal, Royal to Caffin, and Caffin to N. Claiborne (as shown in Figure 2 below). This option includes additional service to maintain headways in Option 1.

⁶ The RTA hourly rate is different from the Transdev hourly rate given in Section 2.2.3. The RTA hourly rate includes the Transdev rate as well as RTA direct variable costs, such as fuel and liability.



Figure 2: 84-Galvez, with existing line in purple and proposed extension in red.

Cost: \$228,992

Benefits: The extended line would expand service to the riverside part of the Lower Ninth Ward. It would add 7.5 platform hours for this line every day of the week. The Interim Executive Director requested staff estimate the cost of this change.

These changes would increase total annual platform hours by 16%. Preliminary estimates suggest that these improvements would increase ridership by about 9%.

84-Galvez (extension)

	Current	With Improvement	Change
Passengers (Annual)	304,304	332,176	27,872
Platform Hours (Annual)	17,551	20,281	2,730
Passengers/Hour	17.29	16.33	(0.96)

Option 3: Add One Bus to the 114-DeGaulle-Sullen and 115-DeGaulle-Tullis

Description: Addition of 1 more bus to both the 114-DeGaulle-Sullen and 115-DeGaulle-Tullis during peak periods.

Cost: \$335,938

Benefits: This would fund 16 hours of additional platform service on each line during weekdays. The Interim Executive Director requested staff estimate the cost of this change.

114-DeGaulle-Sullen

These changes would increase total annual platform hours by 25%. Preliminary estimates suggest that these improvements would increase ridership by about 20%.

114-DeGaulle-Sullen

	Current	With Improvement	Change
Passengers (Annual)	356,980	426,738	69,758
Platform Hours (Annual)	16,115	20,275	4,160
Passengers/Hour	22.15	21.17	(0.99)

115-DeGaulle-Tullis

These changes would increase total annual platform hours by 34%. Preliminary estimates suggest that these improvements would increase ridership by about 22%.

115-DeGaulle-Tullis

	Current	With Improvement	Change
Passengers (Annual)	319,176	388,934	69,758
Platform Hours (Annual)	11,742	15,902	4,160
Passengers/Hour	27.18	24.62	(2.56)

Option 4: Reduce Headways on All Routes with Greater than 45-minute Headways

Description: There are five lines with weekday headways greater than 45 minutes between 5am and 10pm⁷. These are: 15-Freret, 60-Haynes, 80-Desire-Louisa, 101-Algiers Point, and 108-Algiers Local. This option therefore has five sub-options, one for each line on which headways would be reduced.

Cost: The line-by-line cost is:

Line	Platform Hours Required	Cost
15-Freret	5	\$104,981
60-Haynes	15	\$314,942
80-Desire-Louisa	15.25	\$320,191
101-Algiers Point	17	\$356,935
108-Algiers Local	14.72	\$309,063
Total	66.97	\$1,406,112

Benefits: This option would increase frequency on routes around the city of New Orleans during weekdays. In particular, service to Algiers would be improved, with more frequent service on two routes. The Interim Executive Director requested staff estimate the cost of this change.

15-Freret

These changes would increase total annual platform hours by 16%. Preliminary estimates suggest these improvements would increase ridership by about 9%.

⁷ Excluding the 201 – Kenner and 202 – Airport Express. Option 5 gives the cost for reduced headways on these lines.

15-Freret

	Current	With Improvement	Change
Passengers (Annual)	121,472	132,912	11,440
Platform Hours (Annual)	8,050	9,350	1,300
Passengers/Hour	15.09	14.37	(0.72)

60-Haynes

These changes would increase total annual platform hours by 31%. Preliminary estimates suggest these improvements would increase ridership by about 17%.

60-Haynes

	Current	With Improvement	Change
Passengers (Annual)	125,216	146,926	21,710
Platform Hours (Annual)	12,251	16,016	3,765
Passengers/Hour	10.22	9.17	(1.05)

80-Desire-Louisa

These changes would increase total annual platform hours by 27%. Preliminary estimates suggest these improvements would increase ridership by about 16%.

80-Desire-Louisa

	Current	With Improvement	Change
Passengers (Annual)	197,860	230,230	32,370
Platform Hours (Annual)	13,980	17,808	3,828
Passengers/Hour	14.15	12.93	(1.22)

101-Algiers Point

These changes would increase total annual platform hours by 62%. Preliminary estimates suggest these improvements would increase ridership by about 40%.

101-Algiers Point

	Current	With Improvement	Change
Passengers (Annual)	114,764	161,044	46,280
Platform Hours (Annual)	6,911	11,178	4,267
Passengers/Hour	16.61	14.41	(2.20)

108-Algiers Local

These changes would increase total annual platform hours by 48%. Preliminary estimates suggest these improvements would increase ridership by about 25%.

108-Algiers Local

	Current	With Improvement	Change
Passengers (Annual)	89,960	112,320	22,360
Platform Hours (Annual)	7,724	11,419	3,695
Passengers/Hour	11.65	9.84	(1.81)

Option 5: Increased Frequency for Airport Routes

Description: Additional frequency to reduce headways on the 202-Airport Express to 60 minutes between 9am and 7pm.

Cost: \$855,514

Benefits: This option would fund 28.02 hours of additional platform hours every day of the week. The Interim Executive Director requested staff estimate the cost of this change.

These changes would increase total annual platform hours by 171%. Preliminary estimates suggest these improvements would increase ridership by about 133%.

202-Airport Express

	Current	With Improvement	Change
Passengers (Annual)	41,600	97,110	55,510
Platform Hours (Annual)	5,974	16,201	10,227
Passengers/Hour	6.96	5.99	(0.97)

Option 6: Increased nighttime service on the 11-Magazine

Description: Additional late-night trips on the 11-Magazine line. Additional service would be 2 platform hours on weekdays, 2.05 hours on Saturdays, and 2.75 hours on Sundays.

Cost: \$64,820

Benefits: After midnight, the 12-St. Charles Streetcar is the only service operating for the entirety of Uptown, forcing riders to walk over a mile to use transit or to find a non-transit means of getting home. The addition of late night trips on the 11-Magazine would close some of the gaps in transit service for Uptown neighborhoods. This proposed change is a staff recommendation, based on feedback from riders and operational staff.

These changes would increase total annual platform hours by 2%. Preliminary estimates suggest these improvements would increase ridership by about 4%.

11-Magazine

	Current	With Improvement	Change
Passengers (Annual)	549,536	561,418	11,882
Platform Hours (Annual)	21,400	22,175	775
Passengers/Hour	25.68	25.32	(0.36)

Option 7: Improved service on the 64-Lake Forest Express and 65-Read-Crowder Express

Description: There are three proposed changes to the 64 and 65 lines:

1. Eliminate the current weekday interlining of the 64-Lake Forest Express and the 65-Read-Crowder Express.
2. Expand service on each line to provide 30-minute headways for the entire service day, instead of just during AM and PM peak times.
3. Minor modification to the Saturday and Sunday schedules of both lines.

Combined, the changes would add 42.71 platform hours during weekdays and 3.55 hours on Saturdays and Sundays.

Cost: \$930,599

Benefits: These changes would improve service for residents of New Orleans East looking for express service downtown. Interlining the 64-Lake Forest Express and the 65-Read Crowder Express on weekdays costs fewer service hours to operate. However, the irregular service confuses community members, decreases ridership, and requires significant stand time (30 minutes or more). Riders frequently complain about the service because they have difficulty knowing which line they are actually boarding. Riders often state they are less likely to take transit in general because of the complexity of this route.

The second change is a proposed increase in midday and evening service on the two lines. The lines currently operate at 30-minute headways only during AM and PM peak hours and operate hourly for the rest of the service day. Many service workers use these lines for their commutes and they do not work a traditional 9am to 5pm schedule. Expanding the service would therefore help meet the needs of the community.

This proposed change is a staff recommendation, based on feedback from riders and operational staff.

64-Lake Forest Express

These changes would increase total annual platform hours by 31%. Preliminary estimates suggest these improvements would increase ridership by about 12%.

64-Lake Forest Express

	Current	With Improvement	Change
Passengers (Annual)	430,612	484,328	53,716
Platform Hours (Annual)	20,801	27,225	6,424
Passengers/Hour	20.70	17.79	(2.91)

65-Read-Crowder Express

These changes would increase total annual platform hours by 25%. Preliminary estimates suggest these improvements would increase ridership by about 16%.

65-Read-Crowder Express

	Current	With Improvement	Change
Passengers (Annual)	349,804	406,198	56,394
Platform Hours (Annual)	18,806	23,507	4,701
Passengers/Hour	18.60	17.28	(1.32)

Option 8: Improved service on the 90-Carrollton

Description: Staff propose increasing the running time on the 90-Carrollton from 30 to 40 minutes. The current running time (30 minutes) is not adequate on either the inbound or the outbound routes. As a result, buses cannot meet schedules. Passengers therefore experience frequent delays and unreliable service. By increasing scheduled running time on the route, headways would be extended from 30 to 40 minutes. However, buses would be able to keep to the assigned schedules, so passengers would experience more reliable service.

Cost: \$97,842

Benefits: This schedule adjustment will improve on-time performance and provide more reliable service. It would add 4.66 platform hours to weekday service only. This proposed change is a staff recommendation, based on feedback from riders and operational staff.

These changes would increase total annual platform hours by 13%. Preliminary estimates suggest these improvements would increase ridership by about 8%.

90-Carrollton

	Current	With Improvement	Change
Passengers (Annual)	129,480	139,880	10,400
Platform Hours (Annual)	8,800	9,970	1,170
Passengers/Hour	14.71	14.03	(0.68)

Option 9: Add 20 Additional Transit Shelters

Description: This option would fund shelters at 20 transit stops. There are good potential locations for transit shelters across the RTA network. These are additional shelters beyond the 50 that were funded in CY2018.

Cost: \$300,000. This is based on an average cost of \$15,000 per stop – consistent with approved shelter designs and recent experience.

Benefits: As staff evaluated options to place 50 shelters during 2018, we identified at least 20 additional bus or streetcar stops that would be favorable locations for transit shelters. This analysis is based on average daily boardings at stops around the RTA system, as well as equity and other factors. The Riders Advisory Committee has consistently expressed their desire for additional transit stops throughout the system.

This option is part of our continued effort to meet the goal in the Strategic Mobility Plan to Prioritize the Rider Experience.

Specifically, goal PR16 states: *By 2019, begin installing more shelters, seating, lighting, rider information, and other amenities at transit stops.* The SMP also sets a target for 90% of stops with more than 15 daily boardings to have transit shelters by 2027. Currently, about 30% of stops with more than 15 daily boardings have transit shelters. These additional shelters would therefore help progress towards the 2027 target in the SMP.



Figure 3: Pre-approved shelter designs allow the RTA to quickly install new shelters once funding is approved.

Option 10: Provide Regional Monthly Pass

Description: A regional monthly pass would expand transit regionalism by allowing passengers who regularly use the RTA and JeT systems to purchase a single monthly pass for both.

Cost: \$50,000, based on the administrative cost of launching the regional daily pass.

Benefits: Initial data on the regional day pass, launched in September 2018, shows riders' strong desire for regional integration. This is consistent with SMP goals and Board positions in favor of expanding regionalism. In just the first week of the Regional Ride day pass, riders purchased more than 550 passes.

Building on this success, Option 10 would fund development of the systems for a regional monthly pass with JeT.



Figure 4: Examples of the Regional Ride day pass for RTA and JeT.

Option 11: Expand Weekend Hours for Canal St.-Algiers Ferry

Description: Expand weekend hours for the Canal St.-Algiers ferry. The ferry would begin running at 6am on Saturdays and Sundays, matching its starting times on weekdays.

The table below shows that today, weekend services begin at 10:30. Under expanded hours, service would begin at 6:00 am on weekends.

Departure Times	Mon	Tues	Wed	Thurs	Fri	Sat	Sun
First Ferry – Algiers Point	6:00am	6:00am	6:00am	6:00am	6:00am	10:30am 6:00 am	10:30am 6:00 am
First Ferry – Canal St.	6:15am	6:15am	6:15am	6:15am	6:15am	10:45am 6:15 am	10:45am 6:15 am
Last Ferry – Algiers Point	9:30pm	9:30pm	9:30pm	9:30pm	11:30pm	11:30pm	9:30pm
Last Ferry – Canal St.	9:45pm	9:45pm	9:45pm	9:45pm	11:45pm	11:45pm	9:45pm

Cost: \$81,183. Providing this funding for ferry services would be a change in precedent. Until now, ferry funding has come from passenger fares and State subsidies, rather than RTA funds.

Benefits: Expanded hours for ferry service meet an action item in SMP: *By 2022, evaluate making the hours of operation for the Canal St-Algiers ferry more consistent for all days of the week.* This Option 11 would not make hours entirely consistent – start times would be consistent, while end times would still be later on Fridays and Saturdays than other days of the week.

Option 12: Feasibility Study for Improved Service to the New Airport

Description: The new airport terminal, scheduled to open in May 2019, is likely to bring additional passengers to New Orleans. The new terminal could also increase the number of airport employees and will change where buses pick up and drop off passengers.

Cost: \$300,000, based on previous feasibility studies for similar services.

Benefits: The SMP addresses improved services to the airport. Goal PR17 states: *By 2019, ensure sufficient transit information and accommodations at the new airport terminal, including potential placement of Ticket Vending Machine(s).* Goal CO2 also calls for a study on high-capacity transit along the Veterans/Airport corridor. In addition, the SMP Advisory Committee requested a feasibility study on improved service to the new airport.

The feasibility study would include evaluations of costs and benefits of improved services, including:

- Where to pick up and drop off passengers at the new terminal.
- Service options to the new airport, including tradeoffs with express vs. local services.
- Potential ridership gains from improved services.
- How to coordinate improved services with other bus schedules.

Option 13: On-demand Late-Night and Circulator Services

Description: This would be a new service type in the RTA system. The on-demand service would use smaller vehicles than an RTA bus to pick up and drop off passengers – likely vans with capacity for about 14 passengers. The vehicles would be routed by an app, which would use an algorithm to determine the most efficient route for any mix of passengers in the service area.

Passengers would order rides during specific service hours and service areas. In Phase 1 – targeted at late-night service workers – passengers could order rides in downtown New Orleans to either New Orleans East or the West Bank. Phase 1 service would be available overnight, between 8-9pm and 3-4am.

Passengers would be directed to one of seven designated pick-up points around the French Quarter and would be dropped off at the address of their choosing within the specified service area (shown in Figure 5 below). Passengers would share rides with others going in the same direction.

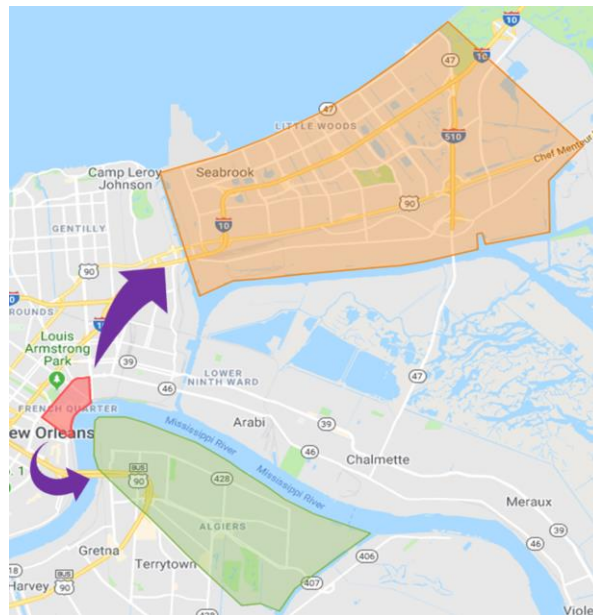


Figure 5: In Phase 1, riders could order on-demand rides during late-night hours to New Orleans East and the West Bank.

If Phase 1 is successful, we propose expanding the service to Phase 2. In Phase 2, additional vehicles would be added to carry passengers on trips within the New Orleans East or West Bank service areas.

Cost: The costs for each phase would be:

- Phase 1: \$930,400
- Phase 2: \$697,800
- Total: \$1,628,200

This estimate includes all costs for vehicles (12 total, including both phases), driver wages, insurance, fuel, and technical costs for developing and running the app. It also takes into account an estimated 300 passengers per day for each Phase, paying a fare of \$2.00 each for the on-demand service.

The estimate is based on 12 months of service for Phase 1, including a 3-month initial pilot period to validate the service design. We would gather data on ridership during the 3-month pilot before making a recommendation on whether to make Phase 1 permanent, and whether to expand to Phase 2.

Benefits: This service proposal addresses two important needs in the SMP (see goals CO9 and CO24):

1. Improved late-night service, especially for hospitality workers traveling home to areas with infrequent late-night service.
2. Improved service within the West Bank and New Orleans East. In both areas, bus service is focused on bringing passengers to and from downtown, but options to move within the neighborhood is limited.

The SMP Advisory Committee (including both Groups A and B), as well as the Riders Advisory Committee, regularly reinforce these two priorities.

Option 14: Increased Frequency on the 63-New Orleans East Owl

Description: This schedule adjustment would improve service on the 63-New Orleans East Owl. It would reduce headways from 60 minutes to 30 minutes.

Cost: \$122,129

Benefits: This schedule adjustment will improve on-time performance and provide more reliable service. It would add 4 platform hours every day of the week. The proposed change follows a request from riders, particularly employees in the hospitality industry.

These changes would increase total annual platform hours by 83%. Preliminary estimates suggest that ridership on these improvements would increase ridership by about 12%. This conservative estimate for ridership increases reflects the fact that this is one of the lowest-ridership lines in the RTA network, and it is unclear how much additional demand would be spurred by adding service.

63-New Orleans East Owl

	Current	With Improvement	Change
Passengers (Annual)	27,144	30,316	3,172
Platform Hours (Annual)	1,752	3,212	1,460
Passengers/Hour	15.49	9.44	(6.05)

Option 15: Create an Art in Transit Program

Description: An RTA Art in Transit would aim to incorporate the unique skills and perspectives of New Orleans artists into our transit system. The funding would provide money for contests and prizes to incorporate local artists' work into shelters, transit vehicles, park and ride facilities, and future transit centers.

Cost: \$100,000

Benefits: The SMP (in goal PR19) calls for the creation of an Art in Transit Program by 2022. The SMP Advisory Committee has reinforced this as a near-term objective, and Riders Advisory Committee participants regularly ask about the creation of an Art in Transit program.

Option 16: Study Top Locations for RTA Accidents for Site-Specific Improvements

Description: This option would provide funding for a comprehensive study of the most important sites for RTA accidents. While the RTA regularly tracks accident locations – especially for the streetcar network, which is the site of the most frequent accidents – there is no recent, comprehensive study that takes into account accident frequency and seriousness across the entire RTA system and recommends actions.

Cost: \$50,000

Benefits: The SMP calls for this study. Goal PR26 states: *By 2019, study top 10 locations for RTA-related crashes for site-specific improvements.* The SMP Advisory Committee has also asked for this study to be completed in 2019.

Option 17: High-capacity Transit Pilot on Canal St.

Description: The Canal St. corridor is perhaps the most important transit line in the RTA system, carrying about 17 percent of all passengers in the network, and connecting to nearly every other bus, streetcar, and ferry line. Despite the line’s dedicated right-of-way, service on the Canal St. line is often slow, due to cars blocking crossings, long dwell times, and lack of signal prioritization.

These factors make the Canal St. line a good test case for high-capacity transit, as described in the SMP. At no cost to the RTA, Transdev staff are already working on a study to improve the Canal St. corridor, to upgrade it to meet the criteria for high-capacity transit. The proposed funding would be sufficient for a pilot implementation of the recommendations in the study (which will be completed in 2018).

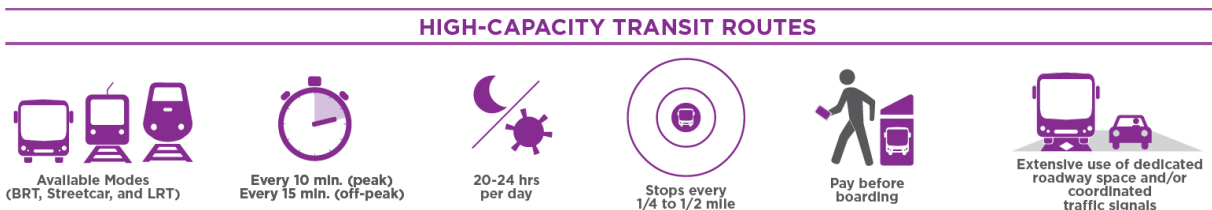


Figure 6: High-capacity transit routes have at least five “priority treatments”, from high frequency to off-board payment.

Cost: \$55,000

Benefits: Upgrading key lines to high-capacity corridors is an important part of the SMP. The SMP calls for feasibility studies for five existing corridors:

1. Broad/Gentilly/Chef.
2. Canal Streetcar.
3. Rampart/St. Claude.
4. St. Charles Streetcar.
5. Tulane.

Of these, the Canal St. line is perhaps the best set up for high-capacity upgrades, given its central place in the RTA network and its existing right-of-way.

Option 18: Pilot Transit Priority Treatments on the Broad/Gentilly/Chef Corridor

Description: The 94-Broad is the highest-ridership bus line in the RTA network, carrying about 1.4 million passengers per year. The funding in this option would allow for a study on priority treatments that could be applied to the 94-Broad. It would also pay to pilot those treatments. The study would aim to identify priority treatments that can rolled out quickly on this corridor.

Cost: \$55,000

Benefits: As noted in Option 17, high-capacity transit (or select services) consist of up to five priority treatments. All will be considered as part of the feasibility study. Based on the study, we will roll out priority treatments that can be done quickly for the pilot.

Option 19: Trapeze Upgrades and Training

The RTA uses the Trapeze software platform to create bus routes, and to route and schedule paratransit trips. The most important Trapeze upgrade planned for 2019 will not impose an additional cost on the RTA. This upgrade is moving from version 12 of the Trapeze software to version 17. Version 12 is unsupported by Trapeze. This means that the software provider still answers staff questions on the functionality, but no longer provides enhancements or bug fixes for version 12.

In addition, v12 lacks hundreds of enhancements between v12 and v17 that can, if used properly, improve service delivery and efficiency. This include new modules that can directly improve services for passengers, such as Pass Web – Trapeze’s online booking and management tool for paratransit. While the RTA plans to roll out Pass Web in late 2018 using v12, upgrading to v17 will ensure full functionality and minimize bugs for our passengers.

While the upgrade to v17 does not have a cost, staff recommend investing in some training to ensure the RTA is able to use v17 well. We also recommend purchasing an upgraded map for Trapeze and DriverMate licenses to track paratransit sub-contractors in real time.

Improvement	Cost	Purpose
Pass and FX/BB Training	\$40,000	These trainings with Trapeze would give staff the skills to bring out the full functionality of version 17 of the software. The trainings apply for both fixed-route and paratransit staff.
Open Work Order Services for Database (50 hours with PM)	\$16,250	
New map update for Trapeze routing	\$34,000	The RTA’s existing map in Trapeze, used for paratransit and bus trip routing, has not been updated in about 10 years. Upgrading the map would save staff time and help improve trip planning for both paratransit and buses.
DriverMate (8 licenses)	\$20,000	DriverMate would allow vehicles from Transdev subcontractors, such as Mel’s Transportation, to be tracked in real time. This would allow passengers being picked up by those vehicles to see their rides. RTA vehicles already have this capability.
Total	\$110,250	

Appendix A: 2019 Ridership Projections by Line

Line	2015 Actuals	2016 Actuals	2017 Actuals	2018 Projected Actuals	Variance from 2018 Proj. Act.	2019 Projected Ridership	2019 Projected Revenue	2018 Budgeted Revenue
Riverfront Streetcar	868,233	869,733	862,120	843,552	-100.00%	0	\$0	\$780,983
Marigny/Bywater	48,191	46,720	40,134	34,772	-12.00%	30,599	\$23,448	\$29,996
Tchoupitoulas	141,490	140,944	134,774	135,680	0.00%	135,680	\$103,973	\$100,811
Magazine	668,660	582,364	543,397	497,105	0.00%	497,105	\$380,937	\$406,053
St. Charles Stcar. - Bus	367,912	27,182	94,576	112,348	0.00%	112,348	\$86,093	\$21,378
St. Charles Streetcar	3,198,500	3,658,913	3,524,845	3,350,746	2.00%	3,417,761	\$2,892,305	\$3,051,860
Freret	103,728	104,425	119,400	135,856	10.00%	149,442	\$114,519	\$92,643
S. Claiborne/Poydras	353,490	343,369	309,528	290,919	-4.00%	279,282	\$214,017	\$229,981
Louisiana	336,528	324,480	301,461	261,434	-8.00%	240,519	\$184,312	\$232,985
Martin L. King	270,350	270,988	293,903	288,935	0.00%	288,935	\$221,414	\$233,639
Leonidas	137,788	153,114	155,525	152,003	1.00%	153,523	\$117,646	\$115,264
Tulane	893,273	835,707	803,601	795,731	0.00%	795,731	\$609,777	\$581,391
Canal - Lakeshore	69,635	62,842	65,783	55,875	-5.00%	53,081	\$40,677	\$44,287
Canal Cemeteries-Bus	141,397	28,245	30,800	15,790	0.00%	15,790	\$12,100	\$15,573
Canal Museum-Bus	105,158	37,035	25,646	17,792	0.00%	17,792	\$13,634	\$17,471
UPT Buses	33,522	13,651	7,054	155	0.00%	155	\$119	\$5,959
Canal Streetcar	1,512,213	1,711,309	1,346,133	1,260,123	33.00%	1,675,964	\$1,418,297	\$1,896,638
Canal Streetcar	1,156,986	1,279,708	1,929,398	2,006,798	22.00%	2,448,294	\$2,071,887	\$940,678
UPT Streetcar	548,928	564,696	435,203	415,409	0.00%	415,409	\$351,543	\$363,439
St. Bernard/Paris Road	140,152	225,539	277,545	281,855	7.00%	301,585	\$231,108	\$216,158
St. Bernard	306,705	261,269	251,945	240,139	-4.00%	230,533	\$176,660	\$181,350
Elysian Fields	397,206	400,400	394,984	366,550	-4.00%	351,888	\$269,655	\$299,642
Franklin	378,785	371,613	370,221	366,681	0.50%	368,514	\$282,396	\$268,216
Haynes	93,062	109,430	123,023	119,614	0.00%	119,614	\$91,661	\$99,483
Morrison Xpress	670,867	692,625	729,331	726,665	0.00%	726,665	\$556,851	\$572,845
N. O. East Owl	12,867	17,457	27,430	7,977	0.00%	7,977	\$6,113	\$23,343

Lake Forest Xpress	365,673	403,619	427,424	428,147	1.00%	432,428	\$331,374	\$315,349
Read-Crowder	359,247	343,121	347,312	341,062	0.00%	341,062	\$261,359	\$259,828
Desire - Louisa	188,214	181,969	196,116	188,136	0.00%	188,136	\$144,170	\$151,295
Galvez	286,396	288,038	302,147	306,677	0.00%	306,677	\$235,010	\$225,166
St. Claude/Barracks	748,542	713,533	700,185	685,410	0.00%	685,410	\$525,237	\$513,057
Carrollton	132,011	145,020	127,786	124,096	0.00%	124,096	\$95,096	\$92,235
Jackson-Esplanade	666,867	557,317	538,953	535,145	0.00%	535,145	\$410,087	\$396,267
Broad	1,369,983	1,330,835	1,383,627	1,375,204	1.00%	1,388,956	\$1,064,371	\$1,097,791
Algiers Owl	26,506	21,081	18,496	18,053	0.00%	18,053	\$13,834	\$13,082
Algiers Point	148,767	125,788	113,547	105,313	0.00%	105,313	\$80,702	\$82,830
General Meyer	254,005	255,179	262,128	249,604	0.00%	249,604	\$191,274	\$200,433
Aurora	43,165	44,339	42,019	45,393	0.00%	45,393	\$34,785	\$29,996
Algiers Local	106,789	96,462	87,740	82,597	0.00%	82,597	\$63,295	\$62,382
Gen. De Gaulle	347,215	350,088	355,476	385,686	0.00%	385,686	\$295,555	\$262,721
Gen. De Gaulle	281,986	299,823	318,368	318,112	0.00%	318,112	\$243,772	\$240,651
UPT-Airport Service		19,611	41,546	55,262	0.00%	55,262	\$42,348	\$28,861
Total - Orleans	18,280,992	18,309,581	18,460,630	18,024,401	0.40%	18,096,116	\$14,503,411	\$14,794,010
Kenner	153,894	146,014	139,239	136,839	0.00%	136,839	\$104,861	\$102,675
Total	18,434,886	18,455,595	18,599,869	18,161,240	0.39%	18,232,955	\$14,608,272	\$14,896,685

Appendix B: 2018 Capital Projects that Carry Over to 2019

The table below describes capital projects for bus, streetcar, and paratransit that are ongoing in 2018 and would carry over to 2019.

Grant Number	Grant Description	CY2019 Submitted Expenditures	Federal Funding			Local Funding Needed	Description
			Source of Funding	Percentage of Funding	Funding Available		
LA040038	SGR - Napoleon	1,800,000	FTA	80.00%	1,440,000	360,000	Renovate Napoleon Facility. Plans submitted to SHPO, awaiting approval on roof and windows. Engineering scheduled for completion December 2018.
LA040045	SGR - ENO Facility	200,000	FTA	80.00%	160,000	40,000	Phase 1 of renovation would mitigate water leaks in ENO Office Building. Procurement resolution to be submitted to Board October 2018.
LA2016-00	Construct Bus Shelters	60,000	FTA	80.00%	48,000	12,000	Funding for additional bus shelters. Board approval given September 2018.
LA2016-011	Shelters (previously Kenner grant)	20,000	FTA	80.00%	16,000	4,000	Funding for additional bus shelters. Board approval given September 2018.
LA2016-012	Special Trackwork Thalia	500,000	FTA	80.00%	400,000	100,000	Replacement and tamping on Riverfront. Request to Board to authorize new timeline for purchase of the rail (up to 2 years) expected October 2018.
LA2016-012	Purchase Line Equip. Riverfront	315,540	FTA	80.00%	252,432	63,108	Replacement and tamping on Riverfront. Request to Board to authorize new timeline for purchase of the rail (up to 2 years) expected October 2018.
LA2016-019	Acquire Shop Equipment	29,017	FTA	80.00%	23,214	5,803	New laptops for bus maintenance facility.
LA2016-019	Bus Wash Facility	386,350	FTA	80.00%	309,080	77,270	This project is to use a special foam to lift sinking areas in the bus wash parking lot, the fuel isle, and the garage back level with the buildings.
LA2016-019	Bus Training Seminars	299,051	FTA	80.00%	239,241	59,810	We are seeking a simulator to assist the Training Department with training of new bus operators, retraining of current operators (typically post-accident), and for refresher training. The simulator will allow instructors to monitor operators as they travel through streets and determine how they react to real-life hazards.
LA2017-009	Bus Engines/Transmissions/Radiators	242,302	FTA	80.00%	193,842	48,460	Replacement program for 18 engines. Nine of these engines will be completed in 1st quarter of 2019.
LA2017-010	Downtown Loop Track Replacement/Rehab.	900,000	FTA	80.00%	720,000	180,000	Pavement Replacement for St. Charles Line. Board approved in August 2017. Engineering completed in October 2018, with work beginning after Mardi Gras 2019 and ending Q4 2019.
LA2216-01	Alternative Analysis	62,922	FTA	80.00%	50,338	12,584	Analysis of options for a Downtown Transit Center. Begun 2016. Project on hold.
LA2217-011	Planning TOD Guidelines	16,728	FTA	80.00%	13,382	3,346	To complete Transit Oriented Guidelines, per an existing federal grant. The Department of Planning will revise its existing draft in 2019 with input from municipal agencies, other stakeholders, and the public. Once comments from stakeholders have been considered, maps will be finalized and graphic design will be need to complete the product.
LA540003	Painting St. Charles OCS Poles	11,345	FTA	80.00%	9,076	2,269	Pole replacement as part of state-of-good-repair. Board authorized solicitation in June 2018. Recommendation to Board to award
LA540003	St. Charles OCS Poles	280,000	FTA	80.00%	224,000	56,000	



Grant Number	Grant Description	CY2019 Submitted Expenditures	Federal Funding			Local Funding Needed	Description
			Source of Funding	Percentage of Funding	Funding Available		
LA540005	Special Trackwork at Thalia	400,000	FTA	80.00%	320,000	80,000	Replacement and tamping on Riverfront. Request to Board to authorize new timeline for purchase of the rail (up to 2 years) expected October 2018.
LA900391	Acquire Ticket Vending Machines	31,297	FTA	80.00%	25,038	6,259	Existing grant for transit amenities. Exact amenities to be determined.
LA900409	Replacement Central Power Source Inverter	287,100	FTA	80.00%	229,680	57,420	Replacing 16-year-old power inverters on the St. Charles Streetcars. The inverters have reached their useful service life and are experiencing costly failures. New units will lessen maintenance cost and increase reliability.
LA900409	Acquire Ticket Vending Machines	31,016	FTA	80.00%	24,813	6,203	Existing grant for transit amenities. Exact amenities to be determined.
LA900409	Construct Bus Shelters	67,352	FTA	80.00%	53,882	13,470	Funding for additional bus shelters. Board approval given September 2018.
LA900409	Purchase Mobile Surveillance/Security Equipment	55,549	FTA	80.00%	44,439	11,110	The RTA is seeking a contractor to install a complete surveillance system at 11 streetcar rail stop locations. The cameras will assist with operator rule compliance, defense of public claims, and assist us prevent passenger station damage.
LA900433	Construct Bus Shelters	61,687	FTA	80.00%	49,350	12,337	Funding for additional bus shelters. Board approval given September 2018.
LA2018-014	St. Charles Paint & Repair Project	137,000	FTA	80.00%	109,600	27,400	St. Charles streetcar exterior bodies will be completely sanded, repaired of any damages and/or rust issues, primed and painted in their original colors. The areas of repair include all exterior body panels, doors, windows and roof panels.
LA2018-014	Axle & Gear Rebuild w/Gear set	45,500	FTA	80.00%	36,400	9,100	Complete overhaul of assemblies for the Canal and Riverfront streetcars. Rebuilds to include replacing all bearings, seals, and gaskets for a complete and functioning rebuild.
LA2018-014	Switch Tongue/Component Replacement	350,000	FTA	80.00%	280,000	70,000	Replacing 30-year-old switch tongues on the St. Charles line that have exceeded their useable service life span.
LA2018-014	Tamping Unit	37,780	FTA	80.00%	30,224	7,556	Hand tampers will be used to tamp ballast rocks under crossties for maintaining track elevation on the St. Charles and Riverfront Lines.
LA2018-014	Rail Division Shop Tools & Equipment	35,000	FTA	80.00%	28,000	7,000	To replace existing worn or defective shop tools and equipment and allow for annual tool and equipment testing and calibrating as per OSHA Regulations.
LA2018-014	Portable Air Compressors	60,000	FTA	80.00%	48,000	12,000	A trailer-mounted air compressor is imperative to performing track work and standby for backing up facility air compressors when performing maintenance.
LA2018-014	Flusher Truck w/HY-Rail System	211,788	FTA	80.00%	169,430	42,358	The flusher truck is a multi-purpose water truck for cleaning rail tracks to improve wheel traction and rail safety conditions by cleaning wheel flange ways. The pressure wash technology shall remove trash and debris from the rail systems and will also be used for water median grass on the guide-way
LA2018-015	Purchase (10) Paratransit Mini Buses	600,000	FTA	85.00%	510,000	90,000	Per paratransit fleet replacement schedule (part of draft Capital Plan) and approved grant funding.
LA2018-015	Purchase (13) Repl. Paratransit Vans	557,141	FTA	85.00%	473,570	83,571	Per paratransit fleet replacement schedule (part of draft Capital Plan) and approved grant funding.
LA2018-015	Support Equipment	208,148	FTA	85.00%	176,926	31,222	Various paratransit equipment.
LA2018-015	Acquire Mobile Fare Equipment	20,815	FTA	80.00%	16,652	4,163	Small vehicle to transport fareboxes.
TIGER 12.93.03	Buy 40-foot Bus for Expansion	3,200,000	FTA	67.90%	2,172,813	1,027,187	To purchase 8 diesel buses, as approved by the Board in 2018.
TIGER 11.33.02	Construction-Bus Station (Badine)	412,800	n/a	0.00%	-	412,800	For bus terminal on Badine Street.
Total Prior Year Approved Projects		11,933,228			8,897,422	3,035,806	

Appendix C: New Capital Projects for 2019

The table below shows newly proposed capital projects for bus, streetcar, and paratransit in 2019, along with proposed costs and funding sources. These are projects for which funding has not yet been allocated. Each of the projects is described in more detail below the table.

Project Number	Description	CY2019 Submitted Expenditures	Federal Funding			Local Funding Needed
			Source of Funding	Percentage of Funding	Funding Available	
1	Canal-Riverfront Repair & Paint	1,019,482	FTA	80.00%	815,586	203,896
2	2010 Orion VII Bus Refurbishment	375,000	FTA	80.00%	300,000	75,000
	2008 Orion VII Bus Refurbishment	500,000	FTA	80.00%	400,000	100,000
	2010 Articulated Bus Refurbishment	150,000	FTA	80.00%	120,000	30,000
3	St. Charles Loop Track Pavement Replacement	600,000	FTA	80.00%	480,000	120,000
4	Canal-Riverfront Differential O/H	162,500	FTA	80.00%	130,000	32,500
5	Streetcar Armature Repair/Rebuild	152,000	FTA	80.00%	121,600	30,400
6	SIS Facility Floor Coating	91,000	FTA	80.00%	72,800	18,200
7	National Transit Database Support	100,000	FTA	80.00%	80,000	20,000
8	Fare Payment Option Study	150,000	FTA	80.00%	120,000	30,000
9	Paratransit MDTs/GPS Unit	107,580	FTA	80.00%	86,064	21,516
10	Downtown Transit Center Alternative Analysis	131,000	FTA	80.00%	104,800	26,200
11	Feeder Cable Replacement	46,000	FTA	80.00%	36,800	9,200
12	Carrollton Air Compressor	45,000	FTA	80.00%	36,000	9,000
13	Replace Computer Room HVAC	30,000	FTA	80.00%	24,000	6,000
14	ENO Envelope Repairs	200,000	FTA	80.00%	160,000	40,000
15	Bus/Bus Facilities	112,709	FTA	80.00%	90,167	22,542
16	Algiers Park N Ride Engineering (Phase II)	112,000			-	112,000
17	Napoleon Facility Upgrade	868,412			-	868,412
18	Track Tool, Parts and Equipment	101,500			-	101,500
Total Proposed 2019 Project Funding		5,054,183			3,177,817	1,876,366

Project 1: Canal – Riverfront Repair and Paint

Project Description

This project is to repair and repaint the Canal and Riverfront streetcars.

Estimated project budget: \$1,019,482

Milestones

Estimated IFB/RFP Issue Date: late 2018/early 2019

Estimated Contract Award Date: early 2019

Estimated Completion Date: 2021

Project 2: Bus Refurbishments

Project Description

Complete overhaul of 8 vehicles:

- 2008 Orion VII Buses: 4 vehicles at \$125,000 each
- 2008 Orion VII Buses: 3 vehicles at \$125,000 each
- 2010 Articulated Bus: 1 vehicle at \$150,000 each

For a total estimated project budget of \$1,025,000.

This is generally consistent with the bus fleet replacement schedule in the draft Capital Plan (submitted July 2017). The draft Plan proposes 10 buses to be refurbished in 2018-2019 – 2 more than the 8 proposed here. The difference is due to available federal funding for bus overhauls.

Milestones

Estimated IFB/RFP Issue Date: April 2019

Estimated Contract Award Date: June 2019

Estimated Completion Date: December 2019

Project 3: St. Charles Loop Track Pavement Replacement

Project Description

Replace deteriorating asphalt pavement surrounding the tracks throughout the entire downtown loop of St. Charles Streetcar Line. In order to lower maintenance cost and eliminate frequent asphalt repairs, the existing asphalt between tracks, as well as a strip of approximately two feet to the outside of each rail, will be removed and replaced with concrete pavement. The project is set up into two phases. Phase 1 encompasses pavement replacement along both St. Charles Ave. and Carondelet St. from Julia St. to Poydras St., while Phase 2 will encompass pavement replacement along the rest of the loop. Phase 2 will not start until additional funding is secured.

Equipment: N/A

Estimated project budget: \$1 million

Milestones

Estimated IFB Issue Date: January 2019 (request for authorization to solicit and award for a general contractor will be presented to the board in December 2018 board meeting)

Estimated Contract Award Date: March 2019

Estimated Completion Date: 4th QTR 2019

Project 4: Canal – Riverfront Differential Overhaul Project

Project Description

Project is for the complete overhaul of Canal-Riverfront streetcar differentials. This is an integral part of maintaining state of good repair.

Equipment

10 – Canal-Riverfront streetcar differential assemblies

Estimated project budget: \$162,500

Milestones

Estimated IFB/RFP Issue Date: April 2019

Estimated Contract Award Date: July 2019

Estimated Completion Date: July 2020

Project 5: St. Charles Armature Repair, Canal – Riverfront Armature Repair/Rebuild

Project Description

Project is for the repair of eight St. Charles armatures and the repair/rebuild of four Canal-Riverfront armature/motor assemblies.

Equipment

- 8 - GE263 Armatures (St. Charles)
- 4 – SKD – TE 026 A04 Armature/Motor assemblies (Canal-Riverfront)

Estimated project budget

St. Charles Armature Repair	\$96,000.00
Canal-Riverfront Armature/Motor Rebuild	\$56,000.00
Total Project Cost	\$152,000.00

Milestones

Estimated IFB/RFP Issue Date: April 2019

Estimated Contract Award Date: July 2019

Estimated Completion Date: July 2020

Project 6: SIS Floor Coating

Project Description

Sections of the SIS floor coating are cracking up and need to be replaced. The following areas need re-coating:

- Entire shop area.
- Storeroom.
- Lunch room.
- 1st-floor restrooms.
- 2nd-floor restrooms.
- Training room.
- Supervisor's office.
- 1st-floor farebox and accessory repair room.

Equipment: to be supplied by vendor

Estimated project budget: \$91,000.00

Milestones: to be determined

Project 7: National Transit Database (NTD) Support

Project Description

Ongoing support for data collection and input for the National Transit Database for ridership and other reporting requirements.

Equipment: N/A

Estimated project budget: \$100,000

Milestones

Estimated IFB/RFP Issue Date: October 2018

Estimated Contract Award Date: November 2018

Estimated Completion Date: June 2020

Project 8: Fare Payment Options Study

Project Description:

This study follows recommendations from the New Orleans RTA Strategic Mobility Plan (adopted December 2017) goal Prioritize the Rider Experience action item PR3: By 2022, comprehensively update fare structure, pass options, and related policies to incorporate emerging best practices.

To meet this goal, the RTA will need to set a plan to choose and implement a new system by 2022. This study would be the first step in analyzing options and identifying implementable solutions. The study will:

- Identify payment options appropriate for the New Orleans market and customer base.
- Evaluate and provide costs and benefits of each option.
- Support staff with community engagement efforts to receive feedback on the options.
- Prepare results and recommendations for board input and approval.

The study is consistent with draft Capital Plan, which includes a \$6 million provision over the next 5 years for ticketing improvements, without identifying what the improvements should be.

Equipment: N/A

Estimated project budget: \$150,000

Milestones:

Estimated IFB/RFP Issue Date: TBD

Estimated Contract Award Date: TBD

Estimated Completion Date: 6 months

Project 9: Paratransit MDTs/GPS Units

Project Description

Purchase and Replace MDTs to track and monitor vehicle movement in the Para-Transit department.

Equipment

(Detailed description and quantity of each item) Grey Hawk GH-7 MDT (Cleaver Devices). Para-Transit needs to upgrade the old MDTs to upgrade 33 units to help monitor and track vehicle movement as the vehicles service the New Orleans and surrounding communities.

Estimated project budget: \$107,580

Milestones

Estimated IFB/RFP Issue Date: April 2019

Estimated Contract Award Date: May 2019

Estimated Completion Date: November 2019

Project 10: Downtown Transit Center Alternative Analysis

Project Description

The scope for the Downtown Transit Center Alternative Analysis is to determine the most feasible location for a Downtown Transit Center that will meet the requirements for Federal Transit Administration (FTA) funding. The transit center will enable riders to make convenient, safe and comfortable connections while providing positive economic and safety impact to the surrounding community. The Alternative Analysis process allows the public the opportunity to offer input into the site and design of a primary transit center. RTA will develop a final recommendation for the Downtown Transit Center to be submitted to the FTA for approval and funding.

This project is on hold. Pending completion of the Comprehensive Operations Analysis, staff recommend keeping additional funding on hold.

Equipment: N/A

Estimated project budget

- Current Estimate Deficit \$131,000.00

TOTAL ADDITIONAL FUNDING NEEDED

\$131,000.00

Milestones: Staff recommend putting this project on hold.

Project 11: Feeder Cable Replacement

Project Description

Replacement of 1,200 feet of 1111.1 kcmil feeder cable along the Canal streetcar line.

Equipment

1,200 feet of 1111.1 Diesel Locomotive Cable 2000 Volts = \$46,000.00

Estimated project budget: \$46,000.00

Milestones

Estimated IFB/RFP Issue Date: April 2019

Estimated Contract Award Date: July 2019

Estimated Completion Date: November 2019

Project 12: Replace Carrollton Air Compressor

Project Description

The Carrollton Barn needs a new air compressor. This project would replace the existing 75 Hp screw air compressor.

Equipment

Installed 75 Hp screw air compressor.

Estimated project budget: \$45,000

Milestones: to be determined.

Project 13: Replace Computer Room HVAC

Project Description

The computer room on the 2nd-floor mezzanine has the old Liebert HVAC from the old dispatch office. It is 22 years old and in need of replacement.

Equipment

Liebert 10-ton 2 stage HVAC unit

Estimated project budget: \$30,000

Milestones: to be determined.

Project 14: ENO State of Good Repair Exterior Envelope Repairs to Maintenance Building

Project Description

All roof sections to be coated or replaced. Exterior glass blocks to have broken blocks replaced. Metal panels to be cleaned. Leak paths need to be addressed. The original funding for State of Good Repair at ENO was not sufficient for both the Office and Maintenance Buildings. The Office building can be repaired in Phase I as it is more critical to do so to relocate staff into this building. The Maintenance Building must be moved to Phase II.

Equipment: N/A

Estimated project budget: \$200,000

Milestones

Estimated IFB/RFP Issue Date: Dependent on funding

Estimated Contract Award Date: +2 months after IFB

Estimated Completion Date: +9 months after NTP

Project 15: Bus/Bus Facilities

Project Description

This project is using federal bus and bus facilities money (Section 5339) for upgrades to bus infrastructure.

Estimated project budget: \$112,709

Milestones

Estimated IFB/RFP Issue Date: TBD

Estimated Contract Award Date: TBD

Estimated Completion Date: TBD

Project 16: Algiers Park and Ride – Phase II

Project Description

Engineering for the following work:

- Replace fifty light fixtures.
- Repair concrete sidewalks and add ADA ramps.
- Install Security Guard Building.
- Upgrade electrical services.
- Add security surveillance.

All these tasks must be accomplished to bring facility to full utilization. This funding is necessary in order for total reimbursement from FEMA for Phase I Scope of Work.

Equipment: N/A

Estimated project budget: \$112,000

Milestones

Estimated IFB/RFP Issue Date: Dependent on funding

Estimated Contract Award Date: +2 months after IFB

Estimated Completion Date: +9 months after NTP

Project 17: Napoleon Facility Upgrade

Project Description

The proposed scope for the Napoleon facility located at 419 Napoleon Avenue includes upgrading the building to use energy efficient lighting, adding an ADA accessible ramp, removal and rebuilding of the front exterior wall, removal of asbestos to meet current standards, installing a permanent generator, installing an ADA compliant pedestrian gate to access the parking area, widening the sidewalk from the new gate, adding two new facility signs on the existing fence at Napoleon and Tchoupitoulas, adding a new fence and cleanup at the exterior south edge of the facility. A Storm Water Management Plan is mandated by the City of New Orleans for all projects beginning after March 2018. Pending SHPO section 106 review.

Equipment: N/A

Estimated project budget:

- Current Construction Estimate Deficit \$475,000.00

ROOF RE-DESIGN:

- Landmark Consulting Roof Research Cost Proposal \$ 2,355.20
- Landmark Consulting including Sub-Consultant Infinity \$ 50,000.00
- Additional Roof Construction Estimate \$124,062.94

STORM WATER MANAGEMENT:

• CDM Smith - Storm Water Management Plan	\$16,993.59
• Storm Water Management Construction Estimate	<u>\$200,000.00</u>
TOTAL ADDITIONAL FUNDING NEEDED	<u>\$868,411.73</u>

Milestones

Estimated IFB/RFP Issue Date: Pending SHPO'S Review

Estimated Contract Award Date: +3 months after SHPO's Review

Estimated Completion Date: +15 months after NTP

Project 18: Track Tool, Parts and Equipment

Project Description

The tools and equipment for this project will help railway workers perform preventative maintenance track repairs more efficiently. Jacks, Lining Bars, Elevation Tools, Track Inspection Kits, Joints Bars, and Bobcat Excavator is needed in their day-to-day duties.

Equipment

- Rail Jacks: QTY 4, to elevate low sections of streetcar tracks.
- Rail Lining Bars: QTY 4, to move the rails in alignment and work with jacks.
- Elevation Tools: QTY 1 Laser Level, to identify the correct elevation.
- Track Inspection Kits: QTY 2, to measure dips in frog and mates during inspection and in the welding process.
- Joint Bars: QTY 20RH & QTY 20LH to replace joint bars that have exceeded their useful lives.
- Bobcat Excavator: QTY 1, to remove dirt and material from tracks to perform preventative maintenance.

Estimated project budget: \$101,500

Milestones

Estimated IFB/RFP Issue Date: April 2019

Estimated Contract Award Date: July 2019

Estimated Completion Date: December 2019

Appendix D: FEMA-funded Capital Projects

The table below shows FEMA-funded projects scheduled for 2019, including the amount of funding for each. None of the FEMA-funded projects require a local match. All FEMA funding is designated for specific projects.

Project Number	Description	CY2019 Submitted Expenditures	Federal Funding			Local Funding Needed
			Source of Funding	Percentage of Funding	Funding Available	
PW 4159/E-10	Napoleon Facility Renovation	500,000	FEMA	100.00%	500,000	-
PW 3784/E-12	Algiers Park-N-Ride-Phase 1	200,000	FEMA	100.00%	200,000	-
PW 20328/ IP1687	Contents	1,600,000	FEMA	100.00%	1,600,000	-
PW21034	DAC/COI Costs	50,000	FEMA	100.00%	50,000	-
AP912	Randolph Facility Exterior Envelope Repairs	1,344,000	FEMA	100.00%	1,344,000	-
Total FEMA Funded Project Worksheets		3,694,000			3,694,000	-

Appendix E: RTA Reserve Funds (Projection for January 1, 2019)

The table below shows projected RTA reserve funds at January 1, 2019. Total reserves in cash and investments are projected to be \$38.5 million. After restrictions due to accounts payable, project commitments, and grant commitments, there will be a projected \$17.8 million in unrestricted reserves.

	Restriction Amount	Reserve Amount
<u>Total Reserves</u>		
Cash/Investments		\$ 38,472,290
Total		\$ 38,472,290
<u>Payables as of 12/31/2018</u>		
Estimated Accrued Accounts Payables	\$ 6,711,839	
		\$ (6,711,839)
<u>Project Commitments as of 12/31/2018</u>		
FEMA Insurance Proceeds	\$ 1,367,814	
Active Grants Match	\$ 8,114,673	
CAD/AVL	\$ 851,013	
Total		\$ (10,333,500)
<u>Pending Grant Applications</u>		
Bus and Bus Facilities	\$ 1,598,000	
BUILD - New Orleans East Terminal	\$ 1,997,250	
Total		\$ (3,595,250)
Unallocated Reserve Balance		\$ 17,831,701